



TEXAS
Department of
Human Services

Self-Evaluation Report

to the

Sunset Advisory Commission



Special Review

September 2001

Texas Department of Human Services Sunset Self-Evaluation Report

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Texas Department of Human Services Self-Evaluation Report

I. Key Functions, Powers, and Duties

A. Provide an overview of the agency's mission, key functions, powers, and duties. Specify which duties are statutory.

Mission

The mission of the Texas Department of Human Services (DHS) is to provide financial, health and human services that promote the greatest independence and personal responsibility for all clients. Our key responsibilities to the citizens of Texas include:

1. fostering of individual choices, dignity and independence for the aged and persons with disabilities,
2. sustaining families and individuals in times of need while encouraging self-sufficiency,
3. using public funds in a cost effective and efficient manner.

Overview of Agency Functions

Introduction

The Texas Department of Human Services administers multiple state and federal human services programs that serve three major client populations:

- the elderly and persons with disabilities;
- low-income parents and children; and
- victims of family violence.

General descriptions of all DHS programs, as well as brief descriptions of major administrative functions, are presented in this report. Agency special projects and initiatives, including a comprehensive cultural change initiative, are also described in this document.

One of the agency's primary functions is to determine eligibility and certify that clients are eligible to access benefits. DHS typically issues direct client benefits electronically and contracts with local service providers for direct client services.

Client eligibility is required to be reviewed and re-certified at specified time intervals, and changes in client status (e.g., marital or employment status) are processed regularly to ensure that clients who become ineligible do not continue to receive benefits. DHS performs case management services in long-term care programs. For Food Stamp and Temporary Assistance for Needy Families (TANF) applicants and recipients, the agency encourages clients toward self-sufficiency and works with the Texas Workforce Commission (TWC) to facilitate the transition from welfare-to-work.

The agency monitors service contracts with providers, reimburses claims for services provided, and

recovers overpayments to providers or clients. On-going quality control checks are made to ensure payment accuracy. The prevention, detection and prosecution of fraud and abuse are emphasized throughout the service delivery and monitoring process.

DHS is also responsible for regulating long-term care facilities. In this capacity, the agency licenses, surveys, and certifies nursing facilities, intermediate care facilities for people with mental retardation or related conditions, adult day care facilities, personal care homes and home health agencies. The agency also investigates allegations of abuse and neglect in these facilities.

In the midst of its administrative responsibilities, the agency retains an important direct services orientation through its volunteer services effort. In FY 2000, 97,518 community volunteers assisted DHS staff and clients throughout the state, and contributed 805,764 hours of service at an estimated value of more than \$12.4 million.

Recent Legislation

In 1998, the Sunset Advisory Commission assessed most health and human services agencies. In 1999, the 76th Legislature passed several pieces of legislation affecting the Department of Human Services based on the Sunset Advisory Commission’s review. This review led to Senate Bill 374 which reformed the licensure process for nursing facility administrators and directed DHS to contract with the State Office of Administrative Hearings for contested case hearings. This bill transferred the Deaf-Blind Multiple Disabilities Program and the Personal Attendant Services Program from the Rehabilitation Commission to DHS. Regulation of home and community support services agencies and home health medication aides transferred from the Department of Health along with the Medically Dependent Children Program. Senate Bill 93 directed DHS to consider administrator conduct in other states, determine who controls facility operations, and adopt higher licensing fees. It increased the educational requirements for facility administrators and required specialized training for inspectors, training local governments and other state agencies. DHS is also charged with monitoring unlicensed facilities and reporting on their status. The 76th session also passed Senate Bill 1423, which provides supplemental cash assistance to certain grandparents who are rearing grandchildren who receive TANF benefits. This one-time assistance may not exceed \$1,000.

The 77th Legislature also passed legislation that impacts the agency. Senate Bill 43, a Medicaid simplification bill, included provisions that require the application form and procedures for children’s Medicaid to be the same as the Children’s Health Insurance Program (CHIP), eliminated the face-to-face application interview, allowed application by mail and re-certification by mail or phone. Senate Bill 368 included extensive requirements for permanency planning for children and the family-based alternatives program with requirements for the Texas Health and Human Services Commission (HHSC) and the individual agencies. Senate Bill 1839, the Long-Term Care Facility Improvement Act, was the session’s major nursing facility bill. This bill was primarily dedicated to liability insurance coverage for nursing facilities.

B. Does the agency’s enabling law correctly reflect the agency’s mission, key functions, powers, and duties?

Yes. The law has been amended as necessary.

C. Please explain why these functions are needed. Are any of these functions required by federal law?

See Timeline under History and Major Events.

D. In general, how do other states carry out similar functions?

Some states, including Texas, administer the federal programs through state agencies while other states administer some of the federal programs through local governmental units such as counties. The basic functions of the federal programs are the same for each state, unless a state has received a waiver from the federal government regarding the administration of some aspect of the program. State mandated regulation of long-term care facilities is usually conducted by a state agency or an agency specifically created to regulate facilities.

E. Describe any major agency functions that are outsourced.

Contracting functions have increasingly become a major focus of agency operations. The agency has been contracting for products and services for over 30 years. In the past decade, much of the agency's contracting fits the definition of outsourcing: contracting out functions that have traditionally been provided in-house or could be provided in-house. Also in the last decade, the agency has increasingly served as a contractor to other agencies and organizations. The agency currently contracts with and provides contracted services to non-profit and for-profit private organizations, as well as other state agencies and public entities for services such as automation and translation.

The legislature considered the subjects of outsourcing and privatization in the 1987 Sunset legislation (SB 298). An agency workgroup was appointed, and staff presented testimony before the Subcommittee on Privatization of Governmental Services of the House Committee on Business and Commerce. A specific result of this review was contracting in FY 1988 for dental services, a program that was subsequently transferred to Texas Department of Health (TDH). Long-term care services and vendor drug processing, both of which were later outsourced, were also considered as part of the Sunset review and the Subcommittee's work.

The agency currently outsources a number of major services including:

- administrative processes such as mail and records storage;
- client services in community, home health, and nursing home settings;
- issuance of Food Stamp and TANF benefits; and
- payments of Medicaid claims based on rates set by the state.

In some cases, these services are "privatized," in the sense that they are provided by profit-making organizations. For example, National Heritage Insurance Corporation (NHIC) handles Medicaid claims management while Northrop Grumman Technical Services, Inc. (NGTSI), Affiliated Computer Services (ACS), and GTECH handle the issuance of Food Stamp and TANF benefits through Electronic Benefits Transfer (EBT).

Prior to the implementation of EBT, the agency contracted with the U.S. Postal Service, check cashing outlets and other private entities, to store food stamp coupons and to distribute coupons to clients on a monthly basis. These efforts helped the agency maintain relatively low administrative and overhead costs in the processing of food stamp coupons. Ironically, the agency's relative efficiency presented significant challenges in implementing a cost-neutral EBT system.

For several years, the agency has operated its in-house automation services with a significant number of contracted employees. The agency's leasing contract for the UNISYS mainframe helped the state avoid

additional millennium conversion costs.

In general, the agency has adopted the following operating principles on outsourcing functions.

- The state should maintain control of policies that impact overall expenditures and fiscal accountability.
- The provision of services and allocation of resources should be based on regional equity based on quantifiable regional and statewide data.
- Contracts should be awarded on a competitive basis or by open enrollment for client direct services where feasible.
- Outsourced functions should be determined in an open and public environment.
- Outsourced functions should be provided at a lesser cost than publicly provided services.
- Long-term impacts should be determined.
- Contingency plans for potential contract failures should be developed on an ongoing basis.
- Hidden costs, such as conversion costs, monitoring costs, and consumer relations-related costs should be openly identified and considered.
- Shifts in federal cost allocation, indirect cost rates and the related impact on the state's economy should be determined prior to the letting or awarding of bids.

<p>F. Discuss anticipated changes in federal law and outstanding court cases as they impact the agency's key functions.</p>
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The 107th Congress is currently debating new legislation that will affect programs administered by the United States Department of Agriculture, which includes the Food Stamp Program. There is a push to reauthorize the farm bill and include a nutrition title that would reauthorize the food stamp program a year early. The House Agriculture Committee approved the bill in late July, and it has been placed on the House calendar for consideration. The Senate Agriculture Committee has held hearings, but has not voted on the bill. In the House package, the program gets about \$3.4 billion over 10 years in new spending. The primary changes include a simplified definition of income, a standard deduction based on family size, transitional benefits for families moving from welfare, modifications to the quality control system, and financial support for simplified application and eligibility determination systems.

As Congress debates Food Stamp re-authorization, the possibility exists to make changes to the Food Stamp Quality Control System that may affect the enhanced funding program under which DHS has earned more than \$75 million in additional funding during Federal Fiscal Years (FFY) 1998, 1999 and 2000. One of the proposals on the table is to make it easier for states with high error rates to avoid sanctions. Another proposal seeks to broaden the enhanced funding program to allow for additional bonus payments to states for excellence or improvement in the areas of timeliness in determining eligibility and low percentages of erroneous denials of benefits. To date, there has been very little discussion of changing the quality control system in such a way that it would prevent Texas from continuing to qualify for enhanced funding.

The reauthorization of TANF is set for the next congressional session that will start in January 2002. The main issues for TANF reauthorization next year will be protection of the funding level and maintaining the current state flexibility. There also continues to be discussion at the national level of block granting the Medicaid program. In a state like Texas, block granting could inhibit future actions to expand Medicaid to low income families

DHS will also be making adjustments in policies and procedures to ensure compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA). HIPAA is a comprehensive federal law designed to standardize and secure health information. The law's components will be implemented in phases beginning in 2002. DHS is working with HHSC and other health and human services agencies to prepare for implementation. HHSC is seeking an amendment to the National Heritage Insurance Company (NHIC) contract to provide for a gap analysis/assessment and estimate of HIPAA implementation costs.

Active litigation that may impact the agency's key functions:

Park Haven Healthcare: Plaintiff is alleging that the nursing facility administrative penalty rule does not meet certain requirements in the Administrative Procedures Act and in the nursing facility licensing law. A ruling against DHS would adversely impact the ability of the department to impose administrative penalties on nursing facilities.

Pearland Convalescent Center: Plaintiff is alleging that the nursing facility enhanced funding rule does not meet certain requirements in the Administrative Procedures Act. A ruling against DHS and HHSC could adversely impact the enhanced funding payment process and affect quality staffing in nursing facilities.

Sears Methodist: Plaintiff is alleging that the nursing facility Informal Dispute Resolution (IDR) process is unconstitutional. The impact of a ruling against DHS is not clear since the responsibility for IDR is being transferred to HHSC.

Delgado: Plaintiff is alleging that DHS's collection of agency error food stamp overpayments pre-dating the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) is an unconstitutional denial of appeal rights, a collection of claims for which statute of limitations has expired and there is insufficient notice. A ruling against DHS would probably not have much impact because DHS policy changes have corrected some of the problems identified and new USDA regulations now apply.

Grant: Plaintiff is alleging that mentally retarded nursing facility residents were not given a choice of community care options in violation of Medicaid laws. A ruling against DHS could result in an assessment of all mentally retarded nursing facility residents to determine whether the nursing facility is appropriate and, giving notice to all such residents of community care options.

Guevara: Plaintiff is alleging that DHS is violating food stamp regulations by having inadequate bilingual staff to provide services to Spanish speaking clients. Impact is speculative since DHS believes that it is meeting requirements. Efforts to improve services in this area are ongoing.

Frew: DHS is not a party to this lawsuit, however the lawsuit may impact the department. The plaintiff challenged the adequacy of the TDH’s operation of the Texas Health Steps Medicaid program. In August 2000, the federal district court granted much of the plaintiff’s motion to enforce a 1996 consent decree. An appeal is pending in the U.S. Court of Appeals. DHS has a contract with TDH that requires Texas Works advisors to inform Medicaid and TANF clients about the program. If the state ultimately loses on appeal, DHS may have to expand the informing responsibility of Texas Works advisors regarding the program.

G. Please fill in the following chart, listing citations for all state and federal statutes that grant authority to or otherwise significantly impact the agency. Do not include general state statutes that apply to all agencies, such as the Open Records Act, the Open Meetings Act, or the Administrative Procedure and Texas Register Act. Provide the same information for Attorney General opinions from FY 1997 – 2001, or earlier significant Attorney General opinions, that affect the agency’s operations.

STATE STATUTES

Texas Department of Human Services Exhibit 1: Statutes / Attorney General Opinions	
Human Resources Code	
Chapter 11	This chapter contains general provisions including definitions.
Chapter 12	This chapter contains general penal provisions.
Chapter 21	This chapter contains administrative provisions regarding the department.
Chapter 22	This chapter describes the general functions of the department, including providing welfare services and services to the elderly and disabled.
Chapter 31	This chapter authorizes the department to provide financial assistance and services to families with dependent children.
Chapter 32	This chapter covers Medicaid.
Chapter 33	This chapter covers nutritional assistance, including food stamps, commodity distribution, the child and adult care food program, and the summer food service program.
Chapter 34	This chapter covers the temporary emergency relief programs.
Chapter 35	This chapter covers support services for persons with disabilities.
Chapter 48	This chapter deals with reporting and investigating suspected abuse, neglect, or exploitation of the elderly or disabled. The department investigates suspected abuse, neglect, or exploitation of residents in personal care facilities and adult day care facilities.
Chapter 51	This chapter covers family violence shelters.
Chapter 52	This chapter covers pregnancy prevention for school-age girls.
Chapter 102	This chapter concerns the rights of the elderly.
Chapter 103	This chapter covers the licensing of adult day care facilities.
Chapter 121	This chapter deals with participation by the handicapped in social and economic activities.

Health and Safety Code	
Chapter 142	This chapter deals with the licensing of home and community support services agencies.
Chapter 242	This chapter deals with the licensing of nursing homes and related institutions.
Chapter 247	This chapter deals with the licensing of personal care facilities.
Chapter 250	This chapter deals with criminal conviction histories of individuals as a condition of employment in certain institutional settings.
Chapter 252	This chapter deals with the licensing of intermediate care facilities for the mentally retarded.
Chapter 253	This chapter deals with a registry of abuse, neglect or exploitation in facilities and employment of persons who are in the registry.

Government Code	
Chapter 418	This chapter is the Texas Disaster Act of 1975. This act permits the Governor to designate the department as the entity to provide financial aid to individuals and families qualified for disaster relief.

FEDERAL

Federal Statutes	
7 U.S.C. §§ 612c, 1431, 1431b, 1431c, 1446a-1, 1859	These sections deal with the commodities programs.
7 U.S.C. §§ 1751-1760	These sections deal with the school lunch program.
7 U.S.C. § 1761	This section deals with the summer food service program.
7 U.S.C. § 1766	This section deals with the child and adult care food program.
7 U.S.C. §§ 1759A, 1773, 1779	These sections deal with the school breakfast program.
7 U.S.C. §§ 1772, 1779	These sections deal with the special milk program.
7 U.S.C. § 1788	This section concerns the nutrition education and training program.
7 U.S.C. §§ 2011-2036	These sections deal primarily with the food stamp program. They also contain some provisions dealing with commodities.
8 U.S.C. §§ 1521 – 1524	These sections concern the Refugee Assistance Program.
42 U.S.C. §§ 601-619, including notes	These sections govern Temporary Assistance for Needy Families (TANF).
42 U.S.C. §§ 10401-10418	These sections cover the Family Violence Prevention Services Act.

Federal Statutes	
42 U.S.C. § 1355	This section deals with pilot or demonstration projects in Medicaid or TANF programs.
42 U.S.C. §§ 1396-1396v	These sections govern medical assistance.
42 U.S.C. §§ 1397-1397f	These sections cover block grants that provide funding to the agency for purchased client services.
42 U.S.C. § 1762a	This section deals with the commodities programs.
42 U.S.C. § 1395bbb	This sections deals with home health agencies.

Federal Regulations	
7 C.F.R. part 210	This part deals with the national school lunch program.
7 C.F.R. part 215	This part deals with the special milk program.
7 C.F.R. part 220	This part deals with the school breakfast program.
7 C.F.R. part 225	This part deals with the summer food service program.
7 C.F.R. part 226	This part deals with the child and adult care food program.
7 C.F.R. part 227	This part deals with the nutrition education and training program.
7 C.F.R. parts 235, 240, and 245	These parts contain general rules regarding the child nutrition programs.
7 C.F.R. parts 250-252	These parts deal with the food distribution or commodities programs.
7 C.F.R. parts 271-280 and 282-283	These parts deal with the food stamp program and with the food distribution program.
42 C.F.R. parts 430-434, 440-456	These parts deal with Medicaid.
42 C.F.R. parts 483, 488, 498	These parts deal with standards and certification of nursing homes and intermediate care facilities for the mentally retarded.
45 C.F.R parts 201-206, 213-237	These parts deal with Temporary Assistance for Needy Families.
45 C.F.R. part 400	This part covers the Refugee Resettlement Program.

Office of Management and Budget Circulars	
A-87	Cost Principles for State, Local, and Indian Tribal Governments.
A-102	Grants and Cooperative Agreements with State and Local Governments.
A-133	Audits of States, Local Governments, and Non-Profit Organizations. (Rescinds circular A-128 and supersedes prior circular A-133 for audits of fiscal years beginning on or after July 1, 1996.)

Attorney General Opinions
No significant attorney general opinions with impact on the agency.

H. Please fill in the following chart:

Texas Department of Human Services Exhibit 2: Agency Contacts			
	Name	Address	Telephone Number Fax Number E-mail Address
Agency Head	James R. Hine Commissioner	P.O. Box 149030 Austin, Texas 78714-9030	(512) 438-3030 (512) 438-4220 Fax jim.hine@dhs.state.tx.us
Agency's Sunset Liaison	Anne Sapp Deputy Commissioner	P.O. Box 149030 Austin, Texas 78714-9030	(512) 438-4814 (512) 438-4220 Fax anne.sapp@dhs.state.tx.us

II. History and Major Events

Provide a timeline discussion of the agency's history, briefly describing the key events in the development of the agency.

The Texas Department of Human Services (DHS) was created by the Texas Legislature in 1939 as the State Department of Public Welfare (DPW) to "provide necessary and prompt assistance to citizens, especially the poor, aged, and the needy or abused children." DPW assumed the duties of three divisions previously under the direction of the State Board of Control: the Old Age Assistance Commission, the Texas Relief Commission, and the Child Welfare Division. Under the law, DPW was responsible for old age assistance, child welfare, and state administration of assistance programs established by the Social Security Act of 1935.

The agency was named DPW until 1977 when it was changed to the Department of Human Resources (DHR). In 1985, the agency assumed its present name. For nearly 63 years, the agency has administered financial assistance programs using both state and federal funds, and has offered social services for families and children, for seniors and for persons with disabilities.

Many programs and responsibilities have been altered, added, deleted or transferred since 1939. The major changes are:

- creation of the Medicaid program in 1967;
- statewide implementation of the Food Stamp program in 1973;
- transfer of responsibility for the Medicaid State Plan, Medicaid purchased health programs and adult and child protective service related programs to other agencies in 1993;
- transfer of job training and placement services and child-care services to another agency in 1996;
- recent state and federal welfare reform legislation implementing time-limited, jobs-focused assistance to families and children; and
- nursing home reform legislation in 1987 and 1997.

KEY EVENTS

The following timeline summarizes the agency's history and evolution from its inception to the present:

- 1931: The Child Welfare Division of the Board of Control was established by the Texas Legislature.
- 1932: The first relief funds were distributed in Texas. Federal funds were provided by the Reconstruction Finance Corporation and distributed by chambers of commerce.
- 1933: The Texas Relief Commission was created by executive order to take over distribution of relief funds. Constitutional amendment authorized the use of state funds for relief purposes and \$20 million in "Bread Bonds" were issued.
- 1935: The Federal Social Security Act became effective. In accordance with its provisions, assistance programs were later established to be state and federally funded. An amendment to the Texas Constitution authorized payment of Old Age Assistance grants.

- 1936: The first Old Age Assistance grant was made in Texas. A constitutional amendment authorized Aid to the Blind and Aid to Dependent Children (ADC). The maximum monthly grant to blind recipients was \$15 in state funds and the maximum grant for each ADC child was \$8 in state funds.
- 1937: A \$1.5 million constitutional ceiling was placed on state funds for ADC.
- 1939: The State Department of Public Welfare (DPW) was created and assigned the duties and responsibilities of three former divisions of the State Board of Control (Old Age Assistance Commission, Texas Relief Commission, and the Child Welfare Division).
- 1941: The Public Welfare Act was passed.
- 1949: Congress passed the Agriculture Act of 1949, Section 416, National School Lunch Act of 1949 as amended.
- 1945: A \$35 million ceiling was placed on all assistance programs, excluding aid to the disabled.
- 1953: Texas voters raised the ceiling from \$35 million to \$42 million for all programs, excluding those for disabled persons. The agency was given responsibility for the state's commodities program.
- 1956: A Constitutional amendment provided the Aid to Disabled program with a ceiling of \$1.5 million in state funds.
- 1957: Texas voters raised the ceiling for all programs from \$42 million to \$47 million.
- 1958: A Constitutional amendment created the Medical Assistance Program. The Texas Legislature authorized the program in 1961.
- 1961: Texas voters raised the ceiling from \$47 million to \$52 million for aid to the blind, children, and the aged. Ceiling on state funds for the disabled was raised from \$1.5 million to \$2 million.
- 1962: The first medical assistance payments were made.
- 1963: Texas voters raised the ceiling on assistance programs from \$52 million to \$60 million, including those for disabled persons.
- 1964: Federal legislation created the federal Food Stamp program with passage of the Food Stamp Act. DPW began pilot food stamp programs in 1967 and the program was implemented statewide by 1973.
- 1966: Congress passed the Child Nutrition Act of 1966, as amended.
- 1967: Federal legislation created the Medicaid program with passage of the Medical Assistance Act and established the Work Incentive (WIN) program.
- 1969: Texas voters raised the ceiling from \$60 million to \$80 million for all four assistance programs.
- 1971: Funds were appropriated to implement the Vendor Drug program.
- 1974: Adult financial assistance programs were transferred to the Social Security Administration

- (Supplemental Security Income). An investigation division was formed to probe welfare fraud. The agency assumed responsibility for child-support enforcement. The Individual and Family Grant Program (IFGP), commonly referred to as the Disaster Assistance Program, was created by Public Law 93-288, the Disaster Relief Act of 1974.
- 1975: Federal regulations on social services changed eligibility requirements and reorganized services offered by the agency. The Texas Disaster Act of 1975 established the Division of Emergency Management (DEM), Texas Department of Public Safety, as the Governor's authorized representative in disaster planning, response and recovery. Under the State Emergency Management Plan published by DEM, administration of the IFGP is assigned to DHS.
- 1977: The agency's name was changed from the DPW to the Texas Department of Human Resources (DHR).
- 1980: The Refugee Act of 1980 amended the Immigration and Nationality Act (INA) to create domestic Refugee resettlement programs to provide assistance and services to refugees resettling in the United States.
- 1981: Texas voters created a flexible ceiling for welfare funding, not to exceed one percent of the state's budget. The Family Violence Program was created to promote development of and access to locally based and supported nonprofit shelters and services for victims of family violence throughout the state.
- 1983: Child Support enforcement was transferred to the Attorney General's Office. Aid to Families with Dependent Children (AFDC) received its first grant increase since 1969. Congress passed the Emergency Food Assistance Act of 1983.
- 1984: Federal legislation expanded Medicaid eligibility to pregnant women and infants up to age 2 in households at 100 percent of the federal poverty level.
- 1985: State legislation changed the agency name from DHR to the Texas Department of Human Services (DHS). The Medically Needy program was implemented.
- 1986: Federal legislation expanded Food Stamp program benefits and mandated food stamp employment and training programs.
- 1987: Federal legislation reformed the rules for nursing homes that participated in Medicare and Medicaid.
- 1988: Federal legislation expanded eligibility for Medicare and Medicaid services. Congress passed the Family Support Act, which reformed federal welfare programs and created new employment training programs for welfare recipients, and the Hunger Prevention Act of 1988.
- 1989: State legislation raised the nursing home and community care income eligibility cap. Legislation also expanded the Texas Board of Human Services from three to six members. Federal legislation expanded Medicaid eligibility and services.
- 1990: Federal legislation mandated a phased expansion of Medicaid to cover all children at or below the federal poverty level.

- 1991: State legislation (House Bill 7) created the Health & Human Services Commission; transferred the Long-Term Care Regulatory program for inspection of nursing homes from the Texas Department of Health (TDH) to DHS; and transferred Medicaid purchased health programs from DHS to TDH. The Texas Department of Protective and Regulatory Services was created, and programs related to child and adult protective services and child-care licensing were transferred from DHS to the new agency. Federal legislation limited the way states could raise Medicaid matching funds.
- 1993: Federal legislation increased benefits and expanded eligibility for the Food Stamp program.
- 1994: Federal legislation expanded and refined the major child nutrition programs.
- 1995: State legislation (House Bill 1863, also referred to as state welfare reform) created the Texas Workforce Commission, formerly known as the Texas Employment Commission. The Job Opportunities and Basic Skills (JOBS) program for AFDC recipients, Food Stamp Employment and Training services, and child care for low-income families were transferred from DHS to the new agency in 1996. The legislation also included time limits on cash assistance and requirements related to personal responsibility on the part of welfare recipients. DHS began developing a finger-imaging program in response to this legislation.
- 1996: Federal legislation reformed federal welfare policy by giving states almost complete control over eligibility and benefits. Temporary Assistance for Needy Families (TANF) block grants replaced AFDC. The legislation also significantly reduced food stamp benefits to legal immigrants. The Job Opportunities and Basic Skills (JOBS) training, Food Stamp Employment and Training, and child care for low-income families programs were transferred from DHS to the Texas Workforce Commission.
- DHS initiated the Lone Star Imaging System (LSIS), a finger-imaging pilot program, in ten offices in the San Antonio area.
- 1997: State legislation on nursing home reform was passed to address the quality of care and regulation of long-term care facilities. An omnibus fraud bill was passed to prevent, detect, and enforce penalties associated with fraudulent activities by recipients and/or providers of public assistance. Federal legislation restored some food stamp benefits to legal immigrants that were cut the previous year.
- 1998 Food and Nutrition Services (FNS) granted approval to implement the Lone Star Image System (LSIS) statewide.
- 1999 DHS earned \$19.7 million in enhanced federal funding for the state of Texas for achieving a Food Stamp payment error rate of 5.27 percent in FFY 1998.

Senate Bill 374 reformed the licensure process for nursing facility administrators and directed DHS to contract with the State Office of Administrative Hearings for contested case hearings. This bill transferred the Deaf-Blind Multiple Disabilities Program and the Personal Attendant Services Program from the Rehabilitation Commission to DHS. In addition, it transferred the regulation of Home and Community Support Services Agencies (HCSSA), Home Health Medication Aides, and the Medically Dependent Children Program from the Department of Health to DHS.

Senate Bill 93 directed the agency to consider facility administrator conduct in other states, determine who controls facility operations, and adopt higher licensing fees. The bill required the agency to improve regulation by developing specialized training for inspectors, training for local governments and other state agencies, perform early architectural reviews of planned facilities, and provide facilities with written assessments during inspections. DHS is charged with monitoring unlicensed facilities and reporting on their status. Senate Bill 93 increased educational requirements for facility administrators and required facilities to provide a consumer's guide to potential clients.

Senate Bill 1197 excluded a person owning, controlling, or operating a nursing facility in which a trustee is appointed and emergency assistance funds are used, from being eligible for issuance or renewal of a license as a nursing facility operator.

House Bill 1677 required nursing facilities to vaccinate residents against diseases TDH determines to be caused by infection, potentially deadly, and preventable by vaccination. This included the staff of the facility.

Senate Bill 967 established an Employee Misconduct Registry for certain long-term care workers. It prohibited facilities from employing a person who is listed on the registry as having abused, neglected, or exploited a resident or client of a facility.

The Special Nutrition Program added the Commodity Supplemental Food Program (CSFP) to its array of programs dedicated to alleviating hunger among Texans.

DHS completed statewide implementation of the Lone Star Electronic Benefit Transfer (EBT) system, the largest of its kind in the country, enabling Food Stamp and AFDC recipients to access their benefits via a plastic debit card at approximately 16,000 retail stores across the state.

Senate Bill 369 proposed to continue the department for twelve years. The legislation passed the Senate but procedural issues in the House prevented final passage. House Bill 2954 eventually continues DHS for four years.

2000 DHS earned \$27.9 million in enhanced federal funding for the state by achieving a Food Stamp payment error rate of 4.56 percent (less than half the national average of 9.88 percent) in FFY 1999.

The Texas "Promoting Independence Initiative" was created in response to the U.S. Supreme Court's ruling in *Olmstead v. Zimring*, and the Governor's Executive Order GWB99-2. DHS' Promoting Independence Plan was approved by the Promoting Independence Advisory Board in August 2000, and involves a multi-phased approach in maximizing choice for current and potential nursing facility residents.

2001 DHS achieved a Food Stamp payment error rate (PER) of 4.14 percent (less than half the national average of 8.91 percent) in FFY 2000 and earned \$28.6 million in enhanced federal funding.

The 77th Texas Legislature again passed several bills impacting DHS. Senate Bill 43 provided for simplification of the Medicaid application form and procedures. It eliminated the face-to-face interview, allows application by mail, and re-certification by mail/phone.

Senate Bill 309 provided for the continuance of DHS through 2011, with a provision for a special review based on the 1997-1999 Sunset review of the agency.

Senate Bill 368 included extensive requirements for permanency planning for children and the family-based alternatives program with requirements for HHSC and the individual agencies.

Senate Bill 1839, the Long-Term Care Facility Improvement Act, is a major nursing facility bill that primarily affects liability insurance coverage for nursing facilities.

III. Policymaking Structure

A. Please complete the following chart.

A six-member board governs DHS. All board members are appointed by the governor and confirmed by the Senate. To qualify for appointment, a person must have demonstrated an interest in and knowledge of human services. Members serve for staggered terms of six years, with the terms of two members expiring on January 20 of each odd-numbered year.

Texas Department of Human Services Exhibit 3: Policymaking Body				
Member Name	Term/ Appointment Dates	Qualification	Address	Telephone Number Fax Number E-mail Address
Jon M. Bradley Chair	3/12/01 – 1/20/03	See above	Weaver and Tidwell, LLP 12221 Merit Drive, Suite 1400 Dallas, TX 75251	972/448-6953 972/702-8321 (fax) jmbradley@weaverandtidwell.com
Jerry Kane Vice Chair	4/18/01- 1/20/03	See above	Sam Kane Beef Processors 9001 Leopard Street Corpus Christi, TX 78409	361/241-5000 ext. 205 361/884-3940 (fax) jkane@samkanebeef.com
Abigail Rios Barrera, MD	8/17/01– 1/20/07	See above	135 W. Gramercy Place San Antonio, TX 78212	210/229-9440 210/229-1368 (fax) abarrmd@aol.com
John Cuellar	2/24/00 – 1/20/05	See above	16302 Sunset Valley Dallas, TX 75248	214/905-0696 214/905-8409 (fax) jcuell16302@aol.com
Manson B. Johnson	3/12/01 – 1/20/07	See above	Holman Street Baptist Church P.O. Box 1420 Houston, TX 77251	713/741-8451 713/747-6101 (fax) mb3140@swbell.net
Terry Durkin Wilkinson	2/24/00 – 1/20/05	See above	25 Saddle Club Drive Midland, TX 79705	915/682-0774 915/682-8163 terrywilk@msn.com

B. How is the chair of the policymaking body appointed?

The board members elect the chair after the biennial appointment of new members.

C. Describe the primary role and responsibilities of the policymaking body.

The board is responsible for the adoption of policies and rules governing the delivery of services by the agency. The board must:

- adopt policies that clearly define staff and board responsibilities;

- approve and submit the biennial budget and requests for appropriations to the governor and the Legislative Budget Board;
- approve and submit an annual report on agency operation and administration to the governor and the Legislature;
- enter into a memorandum of understanding (MOU) with HHSC that clearly defines the policymaking authority of the board and the operational authority of the HHSC commissioner; and
- approve the employment or discharge of the agency director, as recommended by the HHSC commissioner.

D. List any special circumstances or unique features about the policymaking body or its responsibilities.

The HHSC commissioner is authorized to manage and direct certain DHS operations, and supervise and direct DHS commissioner activities. A clear definition of the operational authority of the HHSC commissioner and of the policy authority of the DHS board is defined in an MOU between the two agencies.

Although DHS administers certain aspects of the Texas Medicaid program, the DHS board may only recommend Medicaid policy. The promulgation of Medicaid policy is under the jurisdiction of the HHSC. The DHS board receives and considers agency staff and public input on proposed Medicaid rules. The board recommends to the commission rules that they approve for publication in the *Texas Register*.

E. In general, how often does the policymaking body meet? How many times did it meet in FY 2000? In FY 2001?

The board usually meets on the third Friday of each month in order to promptly address policy and funding issues. The board met 8 times in Fiscal Year (FY) 2000 and 10 times in FY 2001.

F. What type of training do the agency's policymaking body members receive?

Orientation sessions are set up for new board members to teach them about DHS programs, services and responsibilities, and include the following aspects:

- reference to and briefings about Title 2 of the Texas Human Resources Code, which describes the powers and duties of the agency and the board;
- laws concerning board membership, such as Constitutional provisions on dual office holding, Penal Code provisions on bribery, corrupt influence and abuse of office, and Government Code provisions regarding financial disclosure, public information, open meetings and rulemaking;
- the power and duties of board members and the DHS commissioner, including the role and purpose of the board and agency in relation to the HHSC commissioner, as stated in the Government Code and Human Resources Code;
- an overview of all DHS programs and services (including administrative services), and associated funding sources, regulatory duties and powers, and major issues;

- an introduction to DHS policymaking and the use of advisory committees;
- an overview of the DHS budget and briefing on major budget issues or requests for appropriations;
- an overview of DHS audit procedures by the Internal Auditor, who reports directly to the board, and a copy of Internal Audit's Annual Activity Report; and
- applicable Ethics Commission policies.

Effective September 1, 2003, DHS will be required to enact a training program that covers topics specified in the Texas Human Resources Code, sec. 21.0033

G. Does the agency have policies that describe the respective roles of the policymaking body and agency staff in running the agency? If so, please describe these policies.

The respective roles of the policymaking body and the agency staff are described in written board guidelines, which include:

- 1) The board will function as a policy-forming body, and the advice and counsel of the agency staff will be sought through the (DHS) commissioner.
- 2) The commissioner, and staff at the commissioner's direction, will be provided the opportunity to be heard regarding his advice and recommendations on all matters under consideration by the board prior to final action.
- 3) The commissioner will be given direction and support in carrying out the policies established by the board.
- 4) The board and its individual members will not take any direct responsibility for administering the department.
- 5) Each board member will keep in mind the difference in function between the board and staff and work in genuine accord with this difference.
- 6) Each board member will make constructive suggestions and criticisms regarding the department's operations through the commissioner.

H. If the policymaking body uses subcommittees or advisory committees to carry out its duties, please fill in the following chart.

Texas Department of Human Services Exhibit 4: Subcommittees and Advisory Committees			
Name of Subcommittee or Advisory Committee	Size/Composition/How members are appointed	Purpose/Duties	Legal Basis for Committee
Subcommittee for Services to Persons with Disabilities (SSPD)	The SSPD has 10 voting members, one consumer located in each of the TDHS regions, representing people with disabilities, advocates, parents, consumers and others knowledge or interest in services to persons with disabilities. There are also 10 non-voting members, one from each of the TDHS regions, which are regional staff assigned as liaisons to the Office of Services to People with Disabilities (OSPD). The SSPD chairperson is elected by the Aged and Disabled Advisory Committee (ADAC) and must be selected from the members of ADAC. The chairperson is also a voting member of the SSPD.	As one of two subcommittees that report to ADAC (the other is the Subcommittee on Nursing Facilities), SSPD affords the disability community a formal opportunity to have direct input into the way policies and procedures of DHS are initiated and administered. ADAC, in turn, is designated as one of several advisory committees that reports directly to the DHS Board and Board work groups with information concerning policies and regulations about service delivery to person with disabilities.	Human Resource Code 22.009
Texas Works Advisory Committee	The committee has 11 members representing providers, consumers and others interested in or knowledgeable about Texas Works programs appointed by DHS Board.	The committee advises the board on Texas Works programs	Human Resource Code 22.009
Advisory Committee on Assisted Living Facilities	The committee has nine members appointed by the Board of Human Services, representing consumers, providers, and others, with at least one member who is an expert in life safety code regulations, one representative of a non-profit facility, and one family member of a resident in a facility. The commissioner of human services appoints two staff members from the department to serve as nonvoting members. The commissioner shall appoint one staff member from long-term care policy and one from long-term care regulations.	The committee advises the department on standards for licensing assisted living facilities.	Health and Safety Code 247.051

Texas Department of Human Services			
Exhibit 4: Subcommittees and Advisory Committees			
Name of Subcommittee or Advisory Committee	Size/Composition/How members are appointed	Purpose/Duties	Legal Basis for Committee
Nursing Facility Administrators Advisory Committee (NFAAC)	The committee has nine members consisting of three licensed nursing facility administrators (at least one of whom represents a non-profit nursing facility), one physician experienced in geriatrics and not employed by a nursing facility, one registered nurse experienced in geriatrics and not employed by a nursing facility, one social worker experienced in geriatrics and not employed by a nursing facility, and three public members experienced in working with the chronically ill and infirm as provided by 42 U.S.C. Section 1396g. Members of this committee are appointed by the Governor.	The committee advises the board on licensure of nursing facility administrators (including the content of applications for licensure and examination); reviews and recommends rules and minimum standards of conduct for the practice of nursing facility administration; and reviews complaints against administrators and makes recommendations to the department regarding disciplinary actions.	Health and Safety Code 242.303
Home and Community Support Services Agencies (HCSSA) Advisory Committee	This is a 13-member committee with members appointed by the governor. Members serve staggered two-year terms and represent both consumers and service providers. There are three consumer representatives and ten who represent home health, hospice, and personal assistance services providers.	The committee advises the department on the licensure and certification of home and community support services agencies (HCSSAs), which provide home health, hospice and personal assistance services. In addition, the committee reviews and recommends rules and standards for the regulation of HCSS agencies.	Health and Safety Code, Chapter 142.015
Alzheimer's Advisory Committee (AAC)	The committee is composed of nine department-appointed members: four members representing groups advocating for Alzheimer's patients; one representing an institution of higher learning; one clinician; one member representing the Texas Department on Aging; one representing DHS; and one member representing the Texas Department of Mental Health and Mental Retardation.	This committee assists the department in developing and implementing pilot programs for the treatment of individuals diagnosed with Alzheimer's disease.	Human Resources Code 32.0246(b)

Texas Department of Human Services			
Exhibit 4: Subcommittees and Advisory Committees			
Name of Subcommittee or Advisory Committee	Size/Composition/How members are appointed	Purpose/Duties	Legal Basis for Committee
Aged and Disabled Advisory Committee (ADAC)	The committee has 12 members, appointed by the Board of Human Services, consisting of advocates for the aged and people with disabilities; providers; and others with knowledge or interest in the program.	The committee advises the board about developing policy, programs, and budget for the purpose of affecting immediate and long-range plans for services to the aged and persons with disabilities who are in institutional or community-based care.	Human Resources Code 22.009
Advisory Subcommittee on Nursing Facilities (ASNF)	This subcommittee of the Aged and Disabled Advisory Committee (ADAC) consists of eleven voting members and one ex officio member (the State Ombudsman, TDoA). In addition to the Ombudsman representative, the committee consists of two industry and two advocate members, two physicians, a registered nurse, a dietician, a pharmacist, a social worker and a dentist.	This subcommittee provides input and information to the Long-Term Care Regulatory (LTCR) program on development of rules and guidelines for providing quality resident care in nursing facilities.	This committee is not authorized in statute. It was formed voluntarily, in response to requests from the nursing home industry, when LTCR existed at the Bureau of Long-Term Care at the Texas Department of Health (TDH). The Board of the Texas Department of Health formally recognized the committee from 1989 to 1993. The TDH Board required that the committee review and approve all LTC rules prior to Board review and approval. Upon transfer of this program to DHS, the committee was continued as an advisory subcommittee to the DHS ADAC.
Special Nutrition Advisory Committee	The committee is comprised of eleven members who serve four-year terms and are appointed by the Board of Human Services. Department rules require that membership be geographically and demographically balanced.	The committee advises the board on proposed rules, issues and policy changes applying to any Special Nutrition Programs.	Human Resource Code 22.009

I. How does the policymaking body obtain input from the public regarding issues under the jurisdiction of the agency? How is this input incorporated into the operations of the agency?

The board receives input from the public in a number of ways. Members may

- each receive at their homes or workplaces communications from the public by mail or telephone;
- receive public comment at board meetings when considering proposed rules or rules for adoption;
- receive summaries written by DHS staff of comments received in advisory committee meetings and formal and informal meetings with interested public parties, and during a proposed rule's public comment period;
- attend or participate in advisory committee meetings, public hearings and other meetings with interested public parties; and
- converse with or receive information from legislators and other state officials about local or statewide concerns.

The input from the public regarding agency issues is incorporated into the operations of the agency in several ways, including:

- directions to staff regarding program or policy implementation;
- changes to staff-recommended rule provisions; and
- modification to agency budget and policy proposals for legislative consideration.

IV. Funding

A. Describe the agency's process for determining budgetary needs and priorities.

The agency's process for determining budgetary needs and priorities is as follows:

1. Public input is obtained through town meetings conducted by HHSC; HHSC releases results of town meetings in the form of directions and priorities.
2. Baseline needs for maintaining client services are determined using projected caseloads and client population trends.
3. Each executive area of DHS submits a list of service improvements, briefly describing each initiative.
4. Executive Staff reviews all submittals of potential initiatives. The most viable initiatives are selected for further analysis.
5. Cost estimates and narratives describing the impact on the state's client populations are prepared for each selected initiative.
6. Executive Staff review the cost estimates and potential impact on client populations. Those initiatives to be included in the agency's budget request are selected and prioritized, based on funding constraints issued by the Legislative Budget Board and the Governors Office of Budget and Planning.
7. A final list of initiatives is presented to the DHS Board in the form of recommendations.
8. The DHS Board obtains public input on the recommended initiatives and priorities.
9. The DHS Board determines which initiatives and priorities will be included in the agency's budget request.
10. The agency's budget request is presented to the DHS Board for approval.

B. Show the agency's sources of revenue. Please include all local, state, and federal sources.

Texas Department of Human Services Exhibit 5: Sources of Revenue – Fiscal Year 2000	
Source	Amount
State Funds	
General Revenue	43,810,581
Crime Victims Compensation	4,300,000
GR - Medicaid	1,129,056,524
TANF – MOE	125,529,213
Earned Federal Funds	45,356,463
GR – HCSSA	1,395,168
GR – Tobacco	14,381,877
GR – Food Stamps	56,423,564
Total State Funds	\$1,420,253,390
Other Funds	
Disaster Contingency	2,560,767
Appropriated Receipts	5,068,194
Interagency Contracts	24,672,537
Bond Proceeds	0
Other	0
Total Other	\$32,301,498
Federal Funds	
Child Care Food Program	124,032,924
Food Stamps	123,166,644
TANF	190,362,396
Title XIX	1,781,084,295
Title XX	83,686,000
Other Federal Funds	111,228,547
Total Federal Funds	\$2,413,560,806
Total	\$3,866,115,694

Note: Does not include the value of food stamps (\$1,199,855,099) or the value of commodities distributed (\$79,600,000).

Source: Budget Management Services

C. If you receive funds from multiple federal programs, show the types of federal funding sources.

See Exhibit 6 on the following page.

Texas Department of Human Services Exhibit 6: Federal Funds — Fiscal Year 2000				
Type of Fund	State/Federal Match Ratio	State Share*	Federal Share	Total Funding
TANF	0/100		190,362,396	190,362,396
Medicaid – Title XIX	50/50	110,069,608	110,069,608	220,139,216
Medicaid – Title XIX	25/75	4,595,470	13,786,409	18,381,879
Medicaid – Title XIX	10/90	17,602	158,416	176,018
Medicaid – Title XIX	38.64/61.36	1,020,307,868	1,620,240,445	2,640,548,313
Medicaid Admin. Claiming Project	50/50 & 25/75	**	36,829,417	36,829,417
Social Services Block Grant-Title XX	0/100		75,055,051	75,055,051
Social Service Block Grant – Title XX– TANF	0/100		8,630,949	8,630,949
State Administrative Matching Grants for Food Stamp Program	50/50	121,333,707	121,333,707	242,667,414
State Administrative Matching Grants for Food Stamp Program Fraud	50/50	1,832,937	1,832,937	3,665,874
Refugee / Entrant Assistance: Cash & Medical Assistance	0/100		4,926,395	4,926,395
Refugee / Entrant Asst.: Social Services	0/100		4,558,266	4,558,266
Refugee / Entrant Asst.: Targeted Asst.	0/100		1,700,712	1,700,712
Refugee / Entrant Assistance: Discretionary Grants	0/100		343,383	343,383
School Breakfast Program	0/100		5,226,958	5,226,958
National School Lunch Program	0/100		9,938,393	9,938,393
Special Milk Program for Children	0/100		96,273	96,273
Child & Adult Care Food Program	0/100		124,032,924	124,032,924
Summer Food Service Program for Children	0/100		20,247,752	20,247,752
State Admin. Expenses for Child Nutrition	0/100		3,404,416	3,404,416
Nutrition Education & Training	0/100		4,429	4,429
Emergency Food Assistance Program (Administrative Costs)	ADM 50/50 GB 0/100	128,437	3,715,004	3,843,441
Commodity Supp. Food Program	0/100		126,129	126,129
Disaster Public Assistance Grants	25/75	***	6,954,443	6,954,443
State Survey & Cert. – Title XVIII	0/100		17,589,893	17,589,893
State Survey & Certification	50/50	775,850	775,850	1,551,700
State Survey & Certification	25/75	6,032,561	18,097,683	24,130,244
State Survey & Certification – Title XVIII – HCSSA	0/100		494,809	494,809
State Children’s Insurance Program – Title XXI (CHIP)	27.05/72.95	2,838,946	7,656,234	10,495,180
Manpower Demonstration Research Corporation Evaluation	0/100		49,195	49,195
Surviving without TANF Evaluation	0/100		152,858	152,858
Achieving Change for Texans Evaluation	0/100		643,616	643,616
Employment Retention & Advancement	0/100		24,912	24,912
Federal Emergency Mgmt. Agency	0/100		278,177	278,177
Family Violence	0/100		4,222,767	4,222,767
Total		\$1,267,932,986	\$2,413,560,806	\$3,681,493,792

* The state share does not include adjustments to be made in the year end reconciliation and does not include pure state funds.

** State share certified by school districts.

*** State share provided by another agency.

Source: Budget Management Services

D. Show the agency's expenditures by strategy.

Texas Department of Human Services	
Exhibit 7: Expenditures by Strategy — Fiscal Year 2000	
Goal/Strategy	Amount
A. Long-Term Care Continuum	
A.1.1. Community Care Services	854,123,754
A.1.2. In-Home & Family Support	6,500,000
A.1.3. Long-Term Care Eligibility & Service Planning	104,095,214
A.1.4. Nursing Facility and Hospice Payments	1,648,559,244
A.1.5. Integrated Service Delivery	262,734,306
A.1.6. Deaf-Blind with Multiple Disabilities Waiver	3,880,893
A.2.1. Long-Term Care Facility Regulation	42,536,093
A.2.2. Long-Term Care Credentialing	1,213,824
A.2.3. Home and Community Support Services Agencies	4,736,424
Total Goal A	\$2,928,379,752
B. Encourage Self-Sufficiency	
B.1.1. Temporary Assistance for Needy Families Grants	262,099,886
B.1.2. Client Self Support Eligibility and Issuance Services	369,467,817
B.1.3. Nutrition Assistance	167,326,567
B.1.4. Refugee Assistance	11,757,439
B.1.5. Disaster Assistance	9,515,210
Total Goal B	\$820,166,919
C. Family Violence Services	
C.1.1. Family Violence Services	17,260,209
Total Goal C	\$17,260,209
D. Indirect Administration	
D.1.1. Central Administration	26,140,255
D.1.2. Information Resources	51,026,942
D.1.3. Other Support Services	11,396,081
D.1.4. Regional Administration	11,745,536
Total Goal D	\$100,308,814
Grand Total – Texas Department of Human Services	\$3,866,115,694

Note: Expenditures do not include the value of food stamps (\$1,199,855,099) or the value of commodities distributed (\$79,600,000).

Source: Budget Management Services

E. Show the agency's expenditures and FTEs by program.

Texas Department of Human Services						
Exhibit 8: Expenditures and FTEs by Program — Fiscal Year 2000 (Actual)						
Program	Budgeted FTEs, FY 2000	Actual FTEs as of August 31, 2000	Federal Funds Expended	State Funds Expended	Local Funds Expended	Total Actual Expenditures
Community Care Services	37.00	27.45	541,267,125	311,860,704	995,925	854,123,754
In-Home & Family Support			0	6,500,000	0	6,500,000
LTC Eligibility & Service Planning	2,876.00	2,733.49	56,980,990	46,589,960	524,264	104,095,214
Nursing Facility & Hospice	56.00	86.05	1,024,158,593	623,700,393	700,258	1,648,559,244
Integrated Service Delivery			161,330,883	101,403,423	0	262,734,306
Deaf-Blind Services			2,381,316	1,499,577	0	3,880,893
LTC Facility Regulation	977.00	909.76	30,677,923	11,858,170	0	42,536,093
LTC Credentialing	29.00	28.13	387,689	736,490	89,645	1,213,824
HCSSA	112.00	101.73	3,430,439	1,305,985	0	4,736,424
TANF Grants			134,602,738	125,601,073	1,896,075	262,099,886
CSS Eligibility & Issuance Services	9,528.00	9,239.46	211,890,519	153,499,653	4,077,645	369,467,817
Nutrition Assistance	118.00	117.12	166,125,349	824,578	376,640	167,326,567
Refugee Assistance	25.00	19.01	11,434,419	323,020	0	11,757,439
Disaster Assistance		5.00	6,954,443	0	2,560,767	9,515,210
Family Violence Services	8.00	7.5	12,935,803	4,324,406	0	17,260,209
Central Administration	504.00	499.77	16,110,221	9,904,083	125,951	26,140,255
Information Resources	468.00	518.13	24,310,228	12,995,151	13,721,563	51,026,942
Other Support Services	140.00	126.75	2,084,608	2,604,118	6,707,355	11,396,081
Regional Administration	274.00	272.67	6,497,520	4,722,606	525,410	11,745,536
TOTAL	15,152.00	14,692.02	\$2,413,560,806	\$1,420,253,390	\$32,301,498	\$3,866,115,694

Notes: 1) Does not include the value of food stamps (\$1,199,855,099), or the value of commodities distributed (\$79,600,000).

2) FTE counts include positions funded with state, federal and other funds.

Source: Budget Management Services

F. If applicable, please provide information on fees collected by the agency.

Texas Department of Human Services Exhibit 9: Fee Revenue and Statutory Fee Levels — Fiscal Year 2000				
Description/ Program/ Statutory Citation	Current Fee/ Statutory maximum	Number of persons or entities paying fee	Fee Revenue¹	Where Fee Revenue is Deposited
Nursing Facility Licenses: Initial Licenses, Renewals, Change of Ownership Fees Long-Term Care Regulatory Chapter 242.034, Health & Safety Code	\$300 plus \$10 per bed/ no statutory maximum	795 ²	\$1,098,201	General Revenue
Nursing Facility Change of Administrator Fee Long-Term Care Regulatory Chapter 242.010, Health & Safety Code	\$20/ no statutory maximum	567	\$11,320	General Revenue
Nursing Facility Bed Increase Fee Long-Term Care Regulatory Chapter 242.034, Health & Safety Code	\$20 per bed/ no statutory maximum	19	\$2,555	General Revenue
Nursing Facility Trust Fund Assessment Long-Term Care Regulatory Chapter 242.097, Health & Safety Code	\$12.38 per bed/ May not exceed \$20 per bed, per year	127,005 beds	\$1,455,010.79	Nursing & Convalescent Trust Fund Amount in access of \$10,000,000 goes into General Revenue
ICF-MR Licenses: Initial Licenses, Renewals, Change of Ownership Fees Long-Term Care Regulatory Chapter 252.010, Health & Safety Code	\$150 plus \$5 per bed/ no statutory maximum	456	\$89,580	General Revenue
ICF-MR Change of Administrator Fee Long-Term Care Regulatory Chapter 252.034, Health & Safety Code	\$20/ no statutory maximum	98	\$1,020	General Revenue
ICF-MR Bed Increase Fee Long-Term Care Regulatory Chapter 252.034, Health & Safety Code	\$5 per bed/ no statutory maximum	0	\$0	General Revenue
ICF-MR Trust Fund Assessment Long-Term Care Regulatory Chapter 252.095, Health & Safety Code	May collect once every calendar year/ may not exceed \$20 per bed, per year	0	\$0	Nursing & Convalescent Trust Fund Amount in access of \$10,000,000 goes into General Revenue
Assisted Living Licenses: Initial Licenses, Renewals, Change of Ownership Fees Long-Term Care Regulatory Chapter 247.024, Health & Safety Code	\$100 plus \$5 per bed/ statutory maximum of \$750 per facility	1,238	\$222,937	General Revenue

Texas Department of Human Services				
Exhibit 9: Fee Revenue and Statutory Fee Levels — Fiscal Year 2000				
Description/ Program/ Statutory Citation	Current Fee/ Statutory maximum	Number of persons or entities paying fee	Fee Revenue¹	Where Fee Revenue is Deposited
Assisted Living Bed Increase Fee Long-Term Care Regulatory Assisted Living Licensing Standards, Chapter 247.024 Health & Safety Code	\$5 per bed/ no statutory maximum	36	\$3,114	General Revenue
Assisted Living Trust Fund Assessment Long-Term Care Regulatory Chapter 247.003 (b), Health & Safety Code	\$12.38 per bed/ May not exceed \$20 per bed, per year	34,492 beds	\$419,304.51	Nursing & Convalescent Trust Fund. Amount in access of \$10,000,000 goes into General Revenue
Adult Day Care Licenses: Initial Licenses, Renewals, Change of Ownership Fees Long-Term Care Regulatory Chapter 103.007, Human Resources Code	\$25/ no statutory maximum	357	\$8,983	General Revenue
HCSSA Parent Agency Licenses: Initial Licenses, Renewals, and Changes of Ownership Long-Term Care Regulatory Health and Safety Code, Chapter 142, §142.010	\$875 / \$1000	2,025	\$1,850,916	Home Health Services Account ³
HCSSA Branch Agency Licenses: Initial Licenses, Renewals, and Changes of Ownership Long-Term Care Regulatory Health and Safety Code, Chapter 142, §142.010	\$875 / \$1000	575	\$428,325	Home Health Services Account ³
HCSSA Alternate Delivery Site for Hospice Agency Licenses: Initial Licenses, Renewals, and Changes of Ownership Long-Term Care Regulatory Health and Safety Code, Chapter 142, §142.010	\$500/ \$1000	49	\$7950	Home Health Services Account ³
Medication Aide Application Fee Renewal Fee Duplicate Permit Fee Long-Term Care Credentialing Chapter 242.611, Health & Safety Code	\$25 \$15 \$5/ currently charging the statutory maximum	7,400	\$150,271	General Revenue

Texas Department of Human Services				
Exhibit 9: Fee Revenue and Statutory Fee Levels — Fiscal Year 2000				
Description/ Program/ Statutory Citation	Current Fee/ Statutory maximum	Number of persons or entities paying fee	Fee Revenue¹	Where Fee Revenue is Deposited
Nursing Facility Administrator				
Application Fee	\$100			
Licensing Fee	\$250			
Renewal Fee	\$250			
Late Renewal Fee (1-90 days)	\$375			
Late Renewal Fee (91-365 days)	\$500			
Duplicate License Fee	\$25			
Formal Inactive License Fee	\$250			
Reinstatement of License Fee	\$500	2,500	\$380,750	General Revenue
Provisional License Fee	\$100			
State NFA Exam Fee⁴	\$150			
Retest Fee	\$50/			
Long-Term Care Credentialing Chapter 242.304, Health & Safety Code	no statutory maximum			

¹ Fee revenue is based on cash received in FY 2000.

² This number does not reflect the total number of nursing facilities licensed by the department. Facilities are required to renew their licenses every two years.

³ Home and Community Support Services Agencies (HCSSA) Program fees collected are deposited in fund 5018 for licensing activities.

⁴ Effective 12/31/99, DHS ceased administering the NFA exam. NAB/Professional Examination Services now administer the state NFA exam.

G. Please fill in the following chart.

The following statistics are reported directly from the General Services Commission Official Historically Underutilized Business (HUB) report. Due to rounding of cents, the total dollars and some percentages do not calculate correctly.

Texas Department of Human Services				
Exhibit 10: Purchases from Historically Underutilized Business (HUB)				
FISCAL YEAR 1998				
Category	Total \$ Spent	Total HUB \$ Spent	Percent	Statewide Goal
Heavy Construction	N/A	N/A	N/A	11.9%
Building Construction	N/A	N/A	N/A	26.1%
Special Trade	\$793,632	\$164,681	20.7%	57.2%
Professional Services	\$5,741	\$2,899	50.4%	20.0%
Other Services	\$62,217,183	\$11,425,474	18.3%	33.0%
Commodities	\$28,828,723	\$11,818,655	40.9%	12.6%
TOTAL	\$91,845,281	\$23,411,710	25.4%	
FISCAL YEAR 1999				
Category	Total \$ Spent	Total HUB \$ Spent	Percent	Statewide Goal
Heavy Construction	N/A	N/A	N/A	11.9%
Building Construction	N/A	N/A	N/A	26.1%
Special Trade	\$1,128,692	\$203,153	17.9%	57.2%
Professional Services	\$10,084	\$0	0%	20.0%
Other Services	\$77,158,351	\$14,140,195	18.3%	33.0%
Commodities	\$32,330,000	\$14,914,480	46.1%	12.6%
TOTAL	\$110,627,128	\$29,257,829	26.4%	
FISCAL YEAR 2000				
Category	Total \$ Spent	Total HUB \$ Spent	Percent	Statewide Goal
Heavy Construction	N/A	N/A	N/A	11.9%
Building Construction	N/A	N/A	N/A	26.1%
Special Trade	\$824,232	\$161,373	19.5%	57.2%
Professional Services	\$14,875	\$0	0%	20.0%
Other Services	\$70,656,422	\$9,407,026	13.3%	33.0%
Commodities	\$30,934,597	\$11,291,889	36.5%	12.6%
TOTAL	\$102,430,128	\$20,860,288	20.3%	

H. Does the agency have a HUB policy? How does the agency address performance shortfalls related to the policy?

Yes. The agency targets areas for improvement to increase HUB awareness and outreach in the areas where performance falls short of policy goals. In an effort to increase HUB participation, vendor opportunity forums are held in areas where there are few certified HUBs. A Mentor/Protégé program is being implemented in an attempt to match HUBs with successful vendors for training in the business process, including preparing bid responses. The HUB Program Office continually seeks new ways to improve the agency's HUB participation. Regional HUB Liaisons and State Office staff participate with many organizations promoting increased business for HUBs.

V. Organization

A. Please fill in the chart below. If applicable, list field or regional offices.

Texas Department of Human Services Exhibit 11: FTEs by Location — Fiscal Year 2000			
Headquarters, Region, or Field Office	Location	Number of Budgeted FTEs, FY 2000	Number of Actual FTEs as of August 31, 2000
Headquarters*	Austin	3,399.00	3,018.37
Region 1	Lubbock	553.00	543.88
Region 2/9	Abilene	827.00	832.80
Region 3	Arlington	1,840.00	1,832.11
Region 4	Tyler	704.00	687.41
Region 5	Beaumont	587.00	571.35
Region 6	Houston	1,908.00	1,915.56
Region 7	Austin	986.00	971.24
Region 8	San Antonio	1,345.00	1,315.50
Region 10	El Paso	765.00	772.25
Region 11	Edinburg	2,238.00	2,231.55
TOTAL		15,152.00	14,692.02

* Headquarters staff count includes 883 budgeted and 793 actual staff officed in the field, but who report directly to state office (e.g. surveyors).

Note: FTE counts include positions funded with state, federal and other funds, and staff transferred as a result of legislative mandates.

B. What was the agency's FTE cap for FY 2000?

Texas Department of Human Services had a 15,152 FTE cap for FY 2000.

C. How many temporary or contract employees did the agency have as of August 31, 2000?

There were 116.41 contract employees.

D. Please fill in the charts below.

Texas Department of Human Services							
Exhibit 12: Equal Employment Opportunity Statistics							
FISCAL YEAR 1998							
Job Category	Total Positions	Minority Workforce Percentages DHS data as of September 30, 1999					
		Black		Hispanic		Female	
		Agency	Civilian Labor Force	Agency	Civilian Labor Force	Agency	Civilian Labor Force
Officials/Administration	65	10.8%	5.0%	12.3%	8.0%	30.8%	26.0%
Professional	11,658	18.8%	7.0%	33.6%	7.0%	74.6%	44.0%
Technical	96	20.8%	13.0%	36.5%	14.0%	31.3%	41.0%
Protective Services	N/A	N/A	13.0%	N/A	18.0%	N/A	15.0%
Para-Professionals	N/A	N/A	25.0%	N/A	30.0%	N/A	55.0%
Administrative Support	3,545	20.5%	16.0%	45.6%	17.0%	93.9%	84.0%
Skilled Craft	N/A	N/A	11.0%	N/A	20.0%	N/A	8.0%
Service/Maintenance	10	50.0%	19.0%	30.0%	32.0%	0.0%	27.0%

Texas Department of Human Services Exhibit 12: Equal Employment Opportunity Statistics							
FISCAL YEAR 1999							
Job Category	Total Positions	Minority Workforce Percentages DHS data as of January 6, 2000					
		Black		Hispanic		Female	
		Agency	Civilian Labor Force	Agency	Civilian Labor Force	Agency	Civilian Labor Force
Officials/Administration	95	12.6%	5.0%	17.9%	8.0%	48.4%	26.0%
Professional	11,101	18.1%	7.0%	35.8%	7.0%	76.5%	44.0%
Technical	88	25.0%	13.0%	35.2%	14.0%	26.1%	41.0%
Protective Services	N/A	N/A	13.0%	N/A	18.0%	N/A	15.0%
Para-Professionals	N/A	N/A	25.0%	N/A	30.0%	N/A	55.0%
Administrative Support	2,933	20.2%	16.0%	46.2%	17.0%	94.5%	84.0%
Skilled Craft	N/A	N/A	11.0%	N/A	20.0%	N/A	8.0%
Service/Maintenance	7	42.9%	19.0%	42.9%	32.0%	0.0%	27.0%

Texas Department of Human Services Exhibit 12: Equal Employment Opportunity Statistics							
FISCAL YEAR 2000							
Job Category	Total Positions	Minority Workforce Percentages DHS data as of June 8, 2001					
		African Americans		Hispanic Americans		Females	
		Agency	State Civilian Workforce	Agency	State Civilian Workforce	Agency	State Civilian Workforce
Officials/Administration	151*	14.5%	3.7%	14.5%	10.0%	53.6%	30.0%
Professional	11,814	20.3%	8.7%	35.6%	9.3%	77.2%	46.3%
Technical	90	18.8%	13.2%	37.7%	16.4%	25.5%	39.7%
Protective Services	N/A	N/A	16.8%	N/A	19.4%	N/A	19.4%
Para-Professionals	N/A	N/A	22.7%	N/A	28.5%	N/A	55.6%
Administrative Support	2,699	21.0%	19.2%	46.9%	21.6%	93.8%	81.3%
Skilled Craft	N/A	N/A	10.0%	N/A	24.3%	N/A	16.7%
Service/Maintenance	10	20.0%	28.9%	60.0%	36.3%	0.0%	20.5%

* The increase in the Officials/Administrators category reflects changes made in December 1999 and January 2000 to include some Job Class 1601, 1602, and 1603 class numbers, salary level B14 and above, and the creation of a mid and entry level EEO sub-category.

E. Does the agency have an equal employment opportunity policy? How does the agency address performance shortfalls related to the policy?

The agency maintains an Affirmative Action Program to accomplish the objectives of equal employment opportunity. The Affirmative Action policy, Section 3000 is maintained in the Civil Rights Compliance Handbook and is available on-line to all employees.

Quarterly workforce utilization reports are developed for statewide, state office, regions and regional program areas and are provided to executive staff, regional administrators, regional civil rights directors and the State Office Recruiter. The workforce reports identify those areas, programs, regions, and job categories in which hiring needs exist. These utilization reports are used to assist management in developing goals and objectives. Managers and supervisors are responsible for maintaining employment parity when a vacancy exists and prior to posting a job announcement.

VI. Guide to Agency Programs

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Community Care Services
Location/Division	Office of Programs
Contact Name	Jackie Johnson, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	37
Number of Actual FTEs as of August 31, 2000	27.45

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

Community Care provides a wide array of purchased services for low-income individuals who are elderly or have disabilities, including attendant care, day activity health services, supported living, emergency response, and many others. These services allow an individual to remain in their own home or other community setting. Services are provided under authority of Titles XIX (Medicaid) and XX (Social Services Block Grant) of the Social Security Act and under the direction of the state legislature. The Appropriations Act of the 66th Legislature directed the department to phase out a nursing home level of care and to serve these individuals through the community care program. Subsequent legislative appropriations and riders have reinforced this direction. The department is increasingly relying on federal Medicaid funding for these services; in particular, increasing use is being made of Section 1915(c) of the Social Security Act (home and community-based services waivers).

Community Care Services

Adult Foster Care: Provides a 24-hour living arrangement with supervision for clients who, because of physical, mental or emotional limitations, are unable to continue independent functioning in their own homes. Homes where four or more non-related adults reside must be licensed by DHS as a personal care facility.

Day Activity and Health Services (DAHS): Provides weekday nursing services, physical rehabilitation, meals and other support services to clients residing in the community to provide an alternative to placement in nursing homes or other institutions.

Emergency Response: Provides a 24-hour electronic medical emergency call system for impaired elderly persons or persons with disabilities who live alone or are physically isolated from the community.

Respite Care: Provides short-term services to the elderly or adults with disabilities who require care and/or supervision, allowing their caregivers temporary relief. Services may be offered in or out of the home.

Residential Care: Provides supervised living or short-term emergency care services to adults who require access to services on a 24-hour basis, but do not require daily nursing intervention. Services are provided in facilities licensed by DHS.

Primary Home Care: Provides non-technical medically related personal care services prescribed by a physician and assessed by a registered nurse to eligible Medicaid clients whose health problems impair their ability to perform activities of daily living. Qualified frail elderly individuals are also eligible for this service.

Family Care: Provides services to the elderly and adults with disabilities who are functionally limited in the performance of activities of daily living. Services include assistance with personal care, housekeeping, meal preparation, etc.

Consumer Managed Personal Assistant Services: Allows adults with disabilities who are mentally and emotionally capable of self-directing their attendant care to interview, hire, train and supervise their attendant. Provider agencies must have a Personal Assistance Services (PAS) license.

Community Based Alternatives (CBA): A Medicaid waiver program that provides an array of services to the elderly and adults with disabilities as cost-effective alternatives to institutional care in nursing facilities.

Community Living Assistance and Support Services (CLASS): A Medicaid waiver program that provides services to people with conditions other than mental retardation which originated before age 22 and limits their ability to function in daily life. It is a cost-effective alternative to institutional placement in an Intermediate Care Facility for the Mentally Retarded/Related Conditions (ICF-MR/RC).

Deaf Blind with Multiple Disabilities (DB-MD) Waiver: Provides home and community-based services to people eighteen years and older who are Deaf-Blind with multiple disabilities as a cost-effective alternative to ICF-MR/RC institutional placement.

Program of All-inclusive Care For the Elderly Waiver Project (PACE): Provides community based services to frail elderly who qualify for nursing facility placement. Services are provided for a capitated monthly fee that is lower than the cost of comparable institutional care. Currently, this program is available only in El Paso and is referred to as the Bienvivir Project. Senate Bill 908, 77th Legislative Session, directs the department to expand the program to additional sites in the state.

Specialized Services to Persons with Disabilities: Provides an assortment of services to assist persons with disabilities living in the community. Includes smaller programs like 24-hour shared attendant care, interpreter services, case management, and adult day care (not requiring health services).

Medically Dependent Children Waiver Program (MDCP): Provides respite care for families with medically involved children and young adults, as a cost-effective alternative to providing for their care in a nursing facility. The program serves a limited number of children and is available on a first-come, first-served basis. Individuals determined eligible for MDCP also receive Medicaid coverage. MDCP has a broad array of respite services and other supports such as home modifications, adaptive aids, and supports to enable eligible children to participate in child care, and to help young adults move towards independent living. The MDCP program transferred from TDH to DHS effective September 1, 2001.

<p>C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.</p>
--

The Community Care programs were created in the mid-1970's. The federal government made funds available [Title XIX (Medicaid) and XX (Social Services Block Grant) of the Social Security Act] to the states to provide care outside of traditional nursing home settings, thus allowing individuals to maintain their independence in the familiar surrounding of their home and/or community. The Appropriations Act

of the 66th Legislature directed the department to phase out a nursing home level of care and to serve these individuals through the community care program.

These programs must comply with Title XIX and Title XX funding requirements, and requirements mandated by the state (i.e. client eligibility, contracting).

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

In the 1990's an increasing number of clients started to receive 1915(c) Medicaid waiver services allowed under the Social Security Act (home and community-based waivers), which allows clients to receive services that the state Medicaid plan doesn't provide. These programs are needed, and will be needed more in the future as the population ages and places increasing demands to receive services in their homes/communities.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

The program serves elderly people and people with disabilities who request assistance in maintaining their independence and increasing their quality of life.

For FY 2002, 138,873 clients are expected to receive services.

For most community care services, clients must need help to perform routine activities such as bathing, dressing, preparing meals, and must meet financial criteria similar to those for nursing home care. For Medicaid funded services, clients also must have a medical need for services. Clients must also meet income and resource criteria, which vary by service.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

Long-term Care Services (LTCS) program and contract staff are located in State Office and the regions. State Office staff is responsible for promulgation of rules, policies, and waiver requests and amendments. They are also responsible for enrolling contracts and administering sanctions and various other contract related activities against providers. To ensure compliance with state and federal mandates, state office staff maintains and revises policy handbooks as needed for use by regional field staff. State office is responsible for all aspects of the Community Living Assistance and Support Services (CLASS) program as well as the Waiver for People Who are Deaf-Blind with Multiple Disabilities (DB-MD) program. About 2,800 regional field staff are responsible for case management activities, contract monitoring, complaint investigations and client eligibility determinations. State Office staff works closely with the State Medicaid Office at HHSC to coordinate programs, develop Medicaid contracts, make Medicaid referrals, and assure compliance with the Medicaid State Plan.

See organizational charts at end of this section.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

Staff in State Office works with the following federal agencies:

Centers for Medicare and Medicaid Services (CMS-formerly HCFA) – CMS is responsible for the federal administration and oversight of the Medicaid program, including approval of state plans and waiver services.

Social Security Administration (SSA) – Under a contract with SSA, DHS receives client eligibility data for all Supplemental Security Income (SSI) recipients and Medicare recipients who also receive DHS services.

Internal Revenue Services (IRS) – DHS has a contract with the IRS to receive tax data regarding income reported to IRS on DHS clients.

Area Agencies on Aging (AAAs) – Local DHS offices work with AAAs to coordinate contracts and services for community care services.

Memorandums of Understanding (MOUs)

Texas Department of Criminal Justice (TDCJ) – DHS receives funds from TDCJ in order to provide case management services for special needs parolees.

Public Utility Commission (PUC) – DHS has an MOU with PUC in order to implement the Lifeline (telephone discount) and electric discount programs as required by state legislation.

Health and Human Services Agencies – DHS has interagency contracts HHSC, TDH, Texas Department of Mental Health and Mental Retardation (TDMHMR), and Texas Rehabilitation Commission (TRC) in order to coordinate services and achieve administrative savings.

H. Identify all funding sources and amounts for the program, including federal grants and passthrough monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$9,059,475
General Revenue-Tobacco.....	\$12,000,000
General Revenue-Medicaid.....	\$292,285,067
Earned Federal Funds.....	\$15,739
Federal Funds:	
Title XIX Administration - 50/50.....	\$2,007,377
Title 'XIX Medicaid Match - 61.36/38.64.....	\$480,017,779
Title XX.....	\$61,623,285
Other Funds:	
Interagency Contract.....	\$995,925
Total.....	\$858,004,647

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

Our agency mission to foster individual choices, dignity and independence for the aged and persons with disabilities is not being fully achieved when there is not adequate funding to serve the eligible individuals on the community care services interest list. As of June 30, 2001, there were 61,000 individuals registered on the list.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

Within DHS, several Community Care Programs provide the same services. Primary Home Care, CLASS, DB-MD, CBA, and Family Care all provide attendant care services. CLASS, DB-MD and CBA, all provide adaptive aides, nursing services and an array of other services. Although each of these programs provides similar services, they provide them to different populations and have a different funding stream.

Outside of DHS, TDMHMR is responsible for the Home and Community Services Waiver program (HCS). Although this is a 1915(c) waiver, it serves different populations than do the waivers administered by DHS. The HCS program serves only those individuals with a diagnosis of mental retardation. In addition to this program, Medicaid/Medicare Home Health provides attendant care services, nursing, durable medical equipment and other services.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

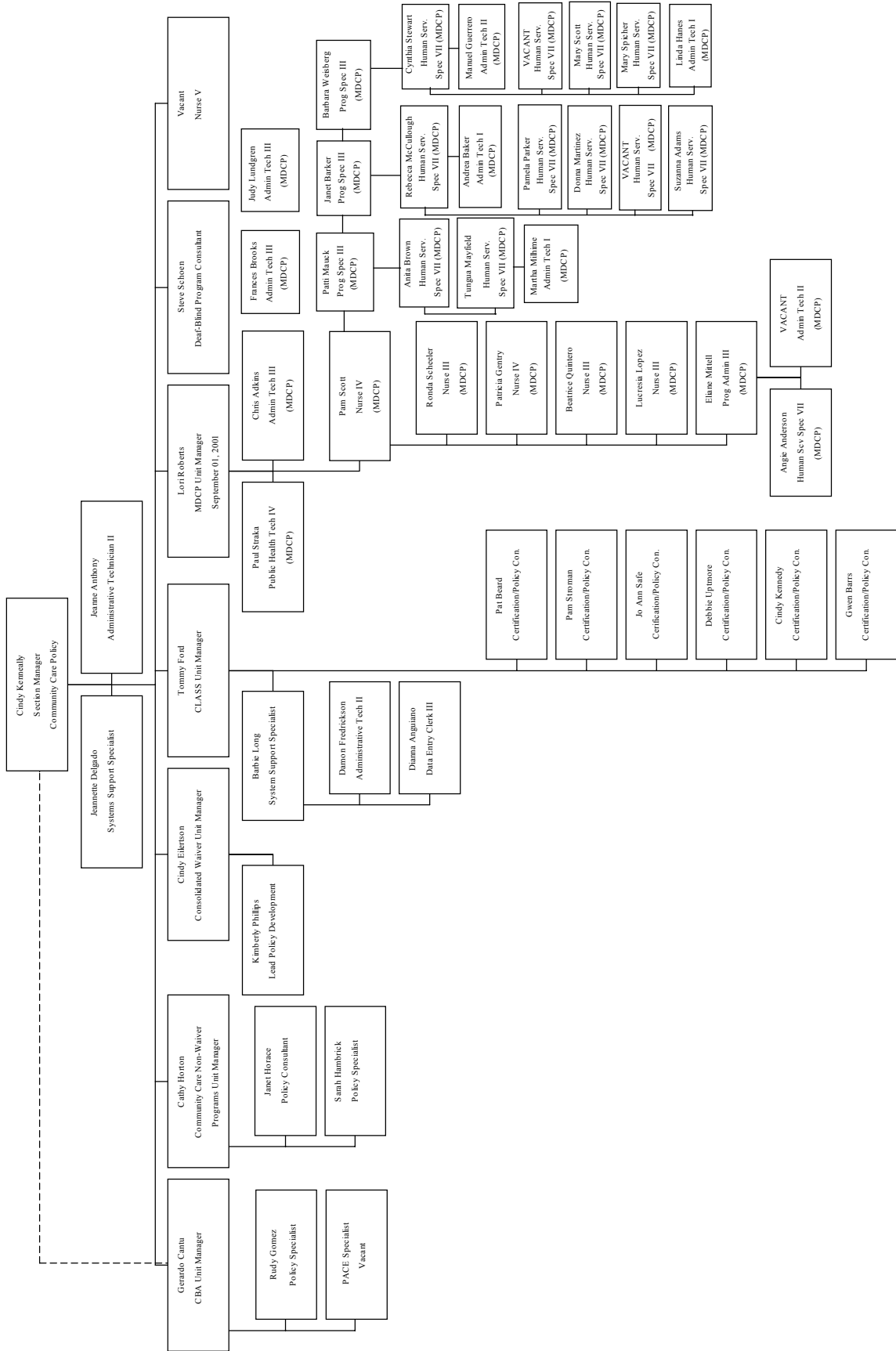
To ensure that there is no duplication of services through DHS, workers in the regional offices make consumers and potential consumers aware of all the programs for which they are eligible and what services they will receive. Workers are responsible for ensuring Medicaid waiver services are accessed after Medicare and other third party resources are exhausted. In addition, our automated claims management system prevents duplication based upon edits in the system that ensure payments are not made for like services in different programs. Consumers are then aware of all services, the financial criteria, age and other physical and/or developmental criteria that may apply.

The only other waiver service provided is through TDMHMR and serves only individuals with a diagnosis of mental retardation. Individuals are told about the HCS program and TDMHMR tells potential consumers about DHS programs that could meet their needs. Information is shared between agencies.

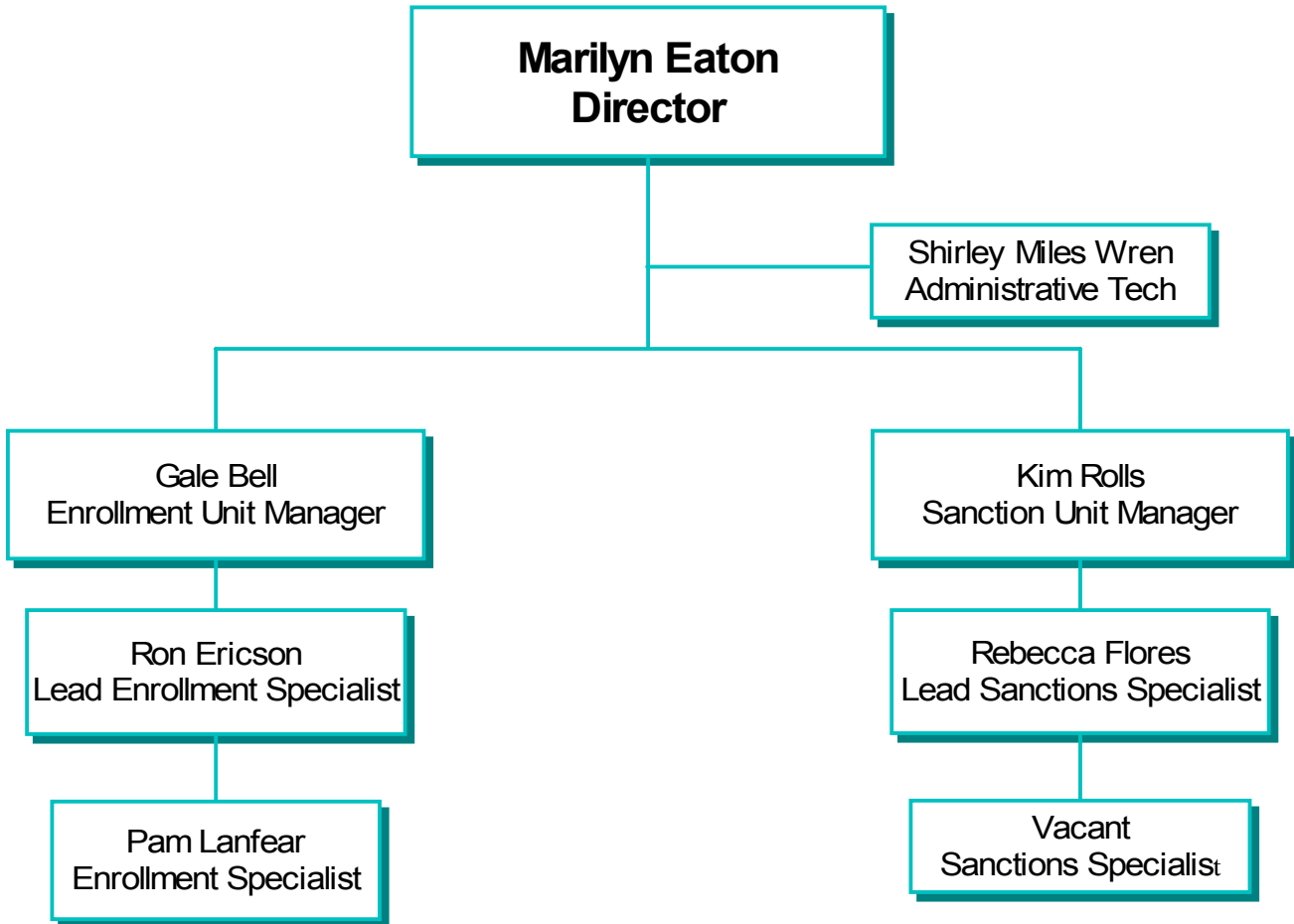
L. Please provide any additional information needed to gain a preliminary understanding of the program.

See Appendix A.

**COMMUNITY CARE
LONG TERM CARE SERVICES
September 2001**



Community Care Contracting Long-Term Care Services 2001



Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	In-Home and Family Support
Location/Division	Office of Programs
Contact Name	Jackie Johnson, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	0
Number of Actual FTEs as of August 31, 2000	0

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

The program provides persons with physical disabilities (without a diagnosis of a mental disability) with a means to purchase the support they need to remain in the community. Direct grant benefits are provided to eligible individuals to purchase special equipment, medical supplies, adaptive aids, and also to modify the home or automobile so that they are accessible and usable by the disabled individual. Grants may be provided to persons who are elderly or have disabilities to support their living independently in the community and prevent institutionalization.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

SB 1509, 71st Legislature, added Chapter 35 to Title 2 of the Human Resource Code, creating the In-Home-and Family Support Program.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

Demand for these services remains high and is expected to remain at a high level into the foreseeable future.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

Eligibility is based on the individual's functional and financial need for services. People with income at or below 100 percent of the state's median income (SMI) level are eligible without co-payment. Applicants with incomes at or above 105 percent of the SMI must contribute to the cost of the services they receive based on a sliding scale. When income exceeds 150 percent of the SMI, the co-pay is 100 percent.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

See organizational chart at end of this section.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$6,500,000
Total.....	\$6,500,000

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

The Legislature establishes the funding level.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

Internally, the DHS Community Care program provides similar services. Although the services provided are similar, they are provided to different populations and have a different funding stream.

Externally, TDMHMR operates a separate In-Home and Family Support program for people with mental retardation and mental illness. The DHS In-Home and Family Support program serves individuals with primarily physical limitations or who have a concurrent physical and mental limitation.

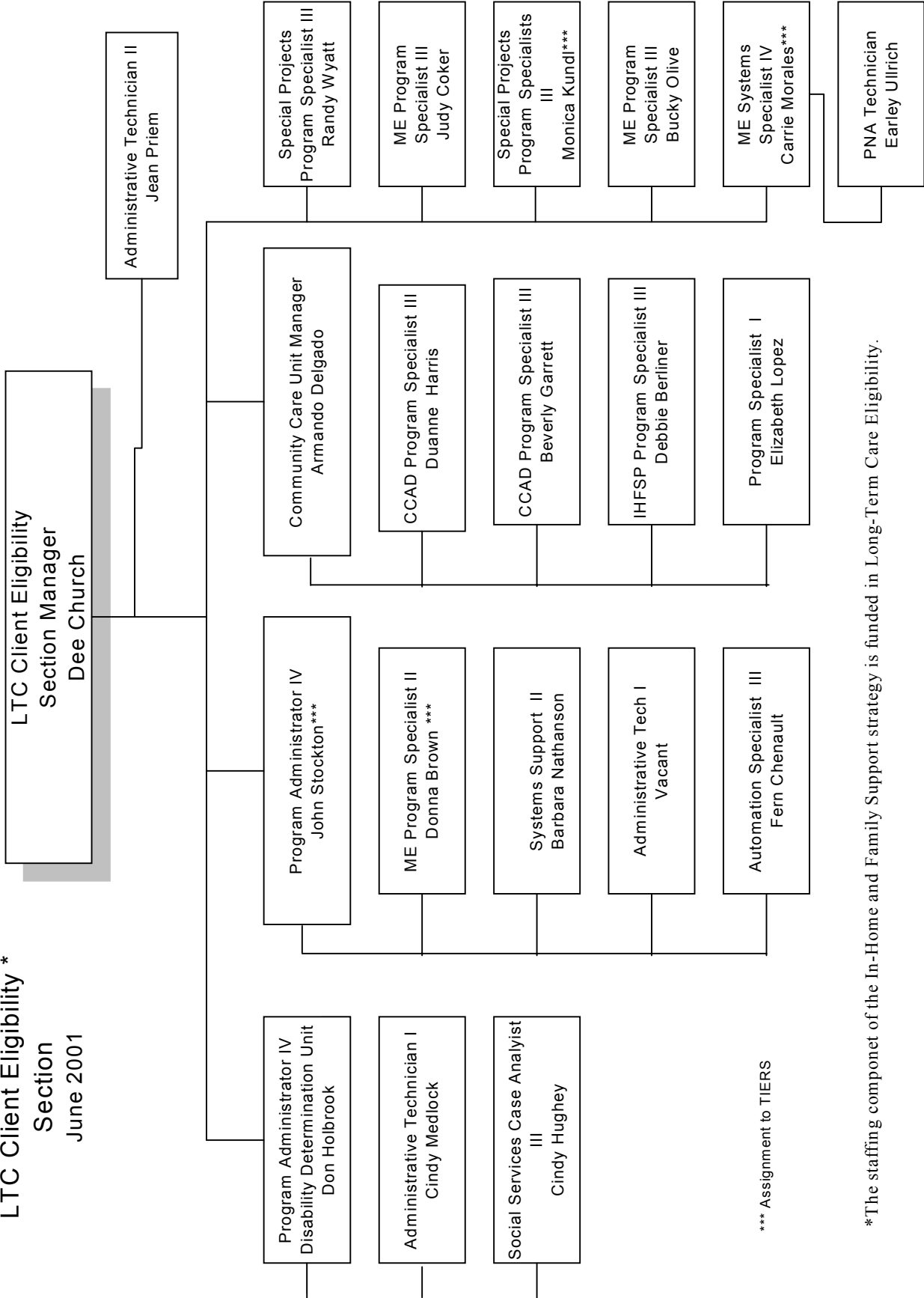
K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency’s customers.

The Community Care and the In-Home and Family Support programs are administered by the same staff in State Office and in the field.

L. Please provide any additional information needed to gain a preliminary understanding of the program.

See Appendix A.

LTC Client Eligibility *
Section
June 2001



*** Assignment to TIERS

*The staffing component of the In-Home and Family Support strategy is funded in Long-Term Care Eligibility.

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Long-Term Care Eligibility and Services
Location/Division	Office of Programs
Contact Name	Jackie Johnson, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	2,876
Number of Actual FTEs as of August 31, 2000	2,733.49

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

Long-Term Care Medicaid eligibility staff determine financial eligibility for community care and institutional assistance programs for people who are elderly and people with disabilities. Also included in this strategy are staff who are responsible for case management, recruitment of adult foster care homes and other administrative activities associated with the nursing facility waivers. Regional nurses perform utilization reviews for primary home care, day activity and health services, and conduct pre-admission screening and annual resident review determinations for persons with mental illness, mental retardation and/or related conditions who are entering nursing facilities. For Medicaid funded programs, federal regulations require that eligibility determination be completed within 90 days for applicants for whom disability must be established, and within 45 days for all other applicants.

Also, staff determine financial eligibility for the following programs:

Three Month Prior to Supplemental Security Income (SSI) Application: Individuals who incur Medicaid covered medical expenses during the three months prior to the month of application for SSI benefits are entitled to an eligibility determination for prior Medicaid coverage for up to three months.

Two Months Prior: Public Law 104-193, Section 3502.4, of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PROWORA), changed policy for retroactive Medicaid coverage for individuals found eligible for SSI. Effective July 1997, DHS automatically adds Medicaid coverage for the month prior to the first month of actual SSI payment. The individual may also apply for coverage for the two preceding months if they have unpaid or reimbursable medical bills and meet all Medicaid eligibility requirements in those months.

Social Security Benefit Increase Programs: There are six different federally mandated medical assistance only (MAO) coverage groups. All individuals, who, at one time received SSI and were denied for a certain reason. If the SSI eligibility limits are met with the exception of certain income disregards, the individuals continue to be eligible for Medicaid.

Emergency Services: Eligibility is determined for Medicaid to cover an emergency episode for certain immigrants and aliens in the United States temporarily or who are undocumented.

Qualified Medicare Beneficiary (QMB): A federally mandated coverage group of Medicare beneficiaries who have countable income of no more than 100% of the federal poverty level and who have limited resources. The state pays Medicare Part A and Part B premiums, Medicare deductibles, and Medicare co-insurance costs for eligible individuals. Individuals may be eligible for both Medicaid and QMB benefits.

Specified Low-Income Medicare Beneficiaries (SLMB): A mandated federal coverage group that is an extension of the QMB group. Under this program, individuals are entitled only to the payment for the Medicare Part B premium.

Qualified Disabled Working Individuals (QDWI): A federally mandated program for individuals who have a disability and have lost Medicare Part A coverage because of employment earnings. Countable income can be no more than 200% of the federal poverty level. There is also a limited resource allowance. The benefit is payment of the premium to extend the Medicare Part A coverage provided to these clients.

Qualifying Individuals (QI-1 and QI-2): Medicare cost sharing groups who meet QMB program eligibility requirements, except for the income limits, which are higher. QI-1 clients are entitled to payment of the Medicare Part B monthly premium amount. QI-2 clients are entitled to payment of the portion of the Medicare Part B premium that results from the shift of home health benefits from Medicare Part A to Medicare Part B. Both must be enrolled in Medicare Part A.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

Prior to FY 1982, the agency's eligibility staff was funded in the each strategy requiring that function. During the FY 1980-81 biennium, the agency underwent a major reorganization to align our programs more closely with our federal partners and increase efficiency. This reorganization centralized all long-term care eligibility determination functions into one strategy and developed a time study to allocate expenditures to the appropriate funding stream.

Federal regulations require individuals to meet certain income and resource requirements before Medicaid funds can be used to pay for services.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

In the 1990's an increasing number of clients started to receive 1915(c) Medicaid waiver services allowed under the Social Security Act (home and community-based waivers), which allows clients to receive services that the state Medicaid plan doesn't provide. These programs are needed, and will be needed more in the future as the population ages and places increasing demands to receive services in their homes/communities.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

The program serves elderly people and people with disabilities who request assistance in maintaining their independence and increasing their quality of life.

For FY 2002, 138,873 clients are expected to receive services.

For most community care services, clients must need help to perform routine activities such as bathing, dressing, preparing meals, and must meet financial criteria similar to those for nursing home care. For Medicaid funded services, clients also must have a medical need for services. Clients must also meet

income and resource criteria, which vary by service.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

Long-Term Care Services (LTCS) program staff is located in State Office and the regions. State Office staff is responsible for promulgation of rules, policies, and waiver requests and amendments. To ensure compliance with state and federal mandates, state office staff maintains and revises policy handbooks as needed for use by regional field staff. State office is responsible for all aspects of the Community Living Assistance and Support Services (CLASS) program as well as the Deaf-Blind with Multiple Disabilities (DB-MD) program. About 2,800 regional field staff are responsible for case management activities, contract monitoring, complaint investigations and client eligibility determinations. State Office staff works closely with the State Medicaid Office at HHSC to coordinate programs, develop Medicaid contracts, make Medicaid referrals, and assure compliance with the Medicaid State Plan.

See Long-Term Care Services Organizational Chart at the end of this section.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

Staff in State Office work with the following federal agencies:

Centers for Medicare and Medicaid Services (CMS, formerly HCFA) – CMS is responsible for the federal administration and oversight of the Medicaid program, including approval of state plans and waiver services.

Social Security Administration (SSA) – Under a contract with SSA, DHS receives client eligibility data for all Supplemental Security Income (SSI) recipients and Medicare recipients who also receive DHS services.

Internal Revenue Services (IRS) – DHS has a contract with the IRS to receive tax data regarding income reported to IRS on DHS clients.

Area Agencies on Aging (AAAs) – Local DHS offices work with AAAs to coordinate contracts and services for community care services.

Memorandums of Understanding (MOUs)

Texas Department of Criminal Justice (TDCJ) – DHS receives funds from TDCJ in order to provide case management services for special needs parolees.

Public Utility Commission (PUC) – DHS has an MOU with PUC in order to implement the Lifeline (telephone discount) and electric discount programs as required by state legislation.

Health and Human Services Agencies – DHS has interagency contracts with HHSC, TDH, TDMHMR and TRC in order to coordinate services and achieve administrative savings.

H. Identify all funding sources and amounts for the program, including federal grants and passthrough monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$2,520,518
General Revenue-Food Stamps.....	\$123,780
General Revenue-Medicaid.....	\$43,890,863
Earned Federal Funds.....	\$54,799
Federal Funds:	
TANF-Administration.....	\$25,740
TANF.....	\$210,522
Title XIX Administration - 50/50.....	\$43,443,777
Title XIX Administration - 75/25.....	\$1,740,317
Title XX.....	\$11,436,812
Food Stamps - 50/50.....	\$123,822
Other Funds:	
Appropriated Receipts.....	\$524,264
Total.....	\$104,095,214

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

As of June 30, 2001, there are over 61,000 individuals registered on the interest list for Community Care Services. We are not meeting our mission to foster individual choices and independence if we cannot provide services to eligible clients.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

Within the DHS, several Community Care Programs provide the same services. Primary Home Care, CLASS, DB-MD, CBA, and Family Care all provide attendant care services. CLASS, DB-MD and CBA all provide adaptive aides, nursing services and an array of like services. Although each of these programs provides like services, they provide these services to different populations and have a different funding stream.

Outside of DHS, TDMHMR is responsible for the Home and Community Services Waiver program (HCS). Although this is a 1915(c) waiver, it serves different populations than do the waivers administered by DHS. The HCS program serves only those individuals with a diagnosis of mental retardation. In addition to this program, Medicaid/Medicare Home Health provides attendant care services, nursing, durable medical equipment and other services.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

To ensure that there is no duplication of services, DHS staff in the regional offices make consumers and potential consumers aware of all the programs for which they are eligible and what services they will

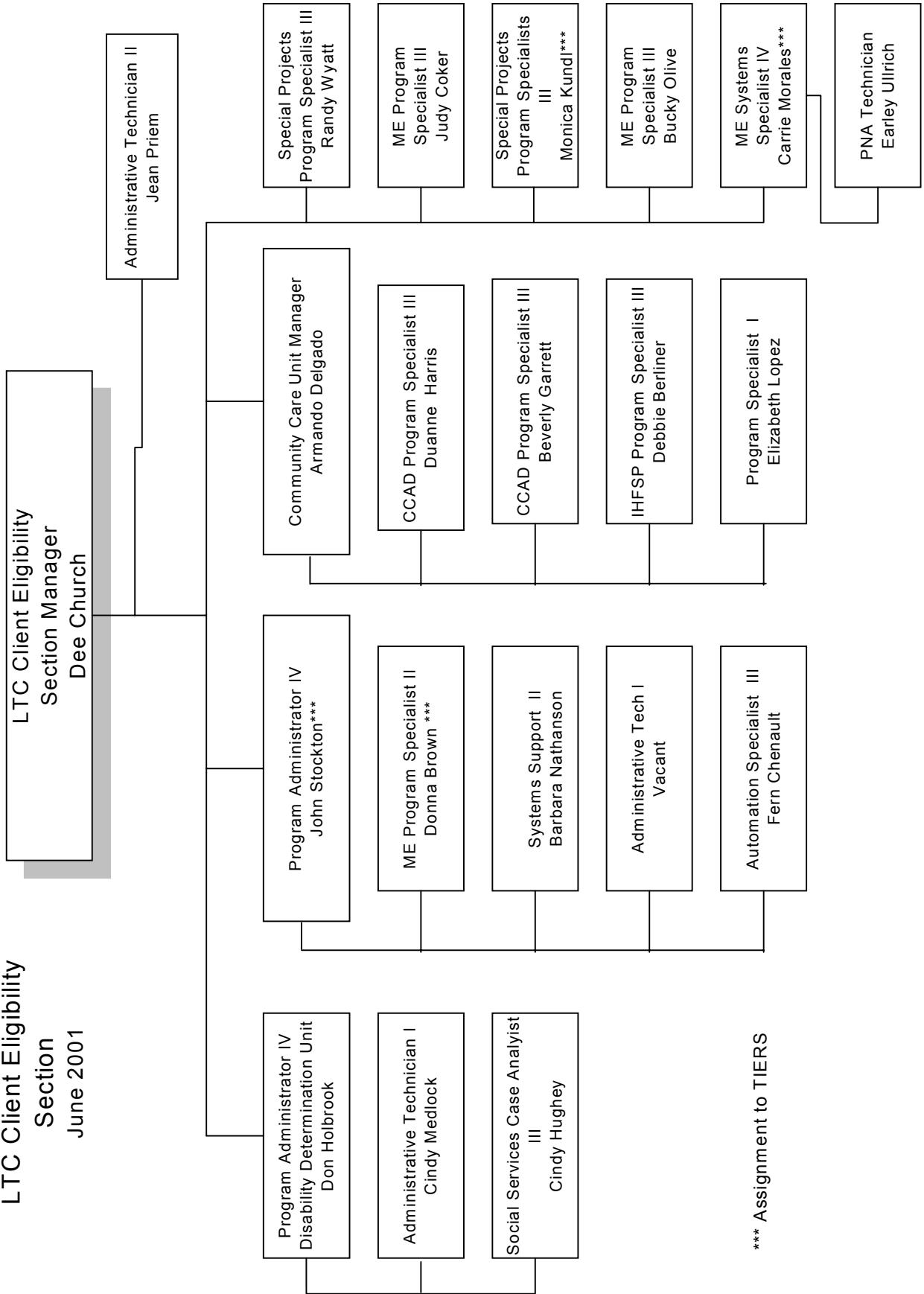
receive. Workers are responsible for ensuring Medicaid waiver services are accessed after Medicaid/Medicare services are exhausted. In addition, our automated claims management system prevents duplication based upon edits in the system that ensure payments are not made for like services in different programs. Consumers are then aware of all services, the financial criteria, age and other physical and/or developmental criteria that may apply.

The only other waiver service provided is through TDMHMR and serves only individuals with a diagnosis of mental retardation. Individuals are told about the HCS program and TDMHMR tells potential consumers about DHS programs that could meet their needs. Information is also shared between the two agencies.

L. Please provide any additional information needed to gain a preliminary understanding of the program.
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See Appendix A and B.

LTC Client Eligibility
Section
June 2001



*** Assignment to TIERS

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Nursing Facility and Hospice Payments
Location/Division	Office of Programs
Contact Name	Jackie Johnson, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	56
Number of Actual FTEs as of August 31, 2000	86.05

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

Nursing Facility Care: Provides nursing facility care to Medicaid recipients who demonstrate a medical condition requiring the skills of a licensed nurse on a regular basis.

Rehabilitative Services: Provides physical, occupational or speech therapy to eligible nursing facility residents who may have had an acute onset of illness or an injury and are able to participate in a rehabilitative program.

Specialized Services: Provides physical, occupational or speech therapy to eligible nursing facility residents who, in the Pre-Admission Screening and Resident Review (PASARR) process, were identified to be in need of such services.

Medicaid Swing Bed Program: Permits participating rural hospitals to use their beds interchangeably in order to provide acute hospital care and long-term nursing facility care to Medicaid recipients, when no Medicaid beds are available in nursing facilities in the same geographic area.

Hospice Program: Provides medical, social and support services to persons who are diagnosed by a physician to have a terminal illness, with a prognosis of six-months or less to live.

Emergency Dental Services: Provides reimbursement for emergency dental services to Medicaid recipients residing in nursing facilities.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

The program was created to provide very high quality skilled nursing care in an institutional setting to meet an individual's total medical, social and psychological needs.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

Texas, like the United States in general, is faced with a growing aging population, some of whom will need nursing home care.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

This program serves approximately 65,000 aged or disabled Texans, who are financially and medically eligible for Medicaid nursing facility care. An individual must have a medical need for the care of a licensed nurse on a regular basis to meet the medical necessity requirement. Aged and disabled individuals requiring custodial care or assistance only with the activities of daily living are not considered medically eligible.

The financial eligibility requirements for Medicaid nursing facility care are less stringent than for Medicaid services in the community. An individual's income can be no more than \$1,593, with resources of no more than \$2,000, while a couple's income can be no more than \$3,186, with resources of no more than \$3,000.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

Long-Term Care (LTC) program staff is located in state office. They monitor all federal and state regulations that affect eligibility and delivery of services. In order to comply with state and federal regulations, state office staff maintains and revises policy handbooks as needed for use by regional field staff. Field staff is trained extensively on eligibility criteria and work closely with provider associations and advocacy groups to define services, develop local resources and consider alternatives for institutional placement.

State office staff also works closely with the State Medicaid Office at HHSC to coordinate programs, develop Medicaid contracts, make Medicaid fraud referrals, and assure compliance with the Medicaid State Plan. Two major volunteer initiatives that support nursing facilities and residents are the Adopt-a-Nursing Home Program managed by DHS and the Ombudsman Program managed by the Texas Department on Aging (TDoA).

See organizational chart at the end of this section.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

DHS works with the Centers for Medicare and Medicaid Services (CMS), formerly the Health Care Financing Administration (HCFA) to administer the program. DHS has an MOU with the Texas Department of Health.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$2,758,439
General Revenue-Medicaid.....	\$620,940,523
Earned Federal Funds.....	\$1,431
Federal Funds:	
Title XIX Administration - 50/50.....	\$2,330,712
Title XIX Administration - 75/25.....	\$5,622,273
Title XIX Medicaid Match - 61.36/38.64.....	\$979,376,191
Medicaid Administrative Claiming.....	\$36,829,417
Other Funds:	
Interagency Contract.....	\$700,258
Total.....	\$1,648,559,244

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

Currently, the agency is exploring ways to balance fair regulatory enforcement with education, training and support to insure quality of care and the viability of the nursing home industry.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

None.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency’s customers.

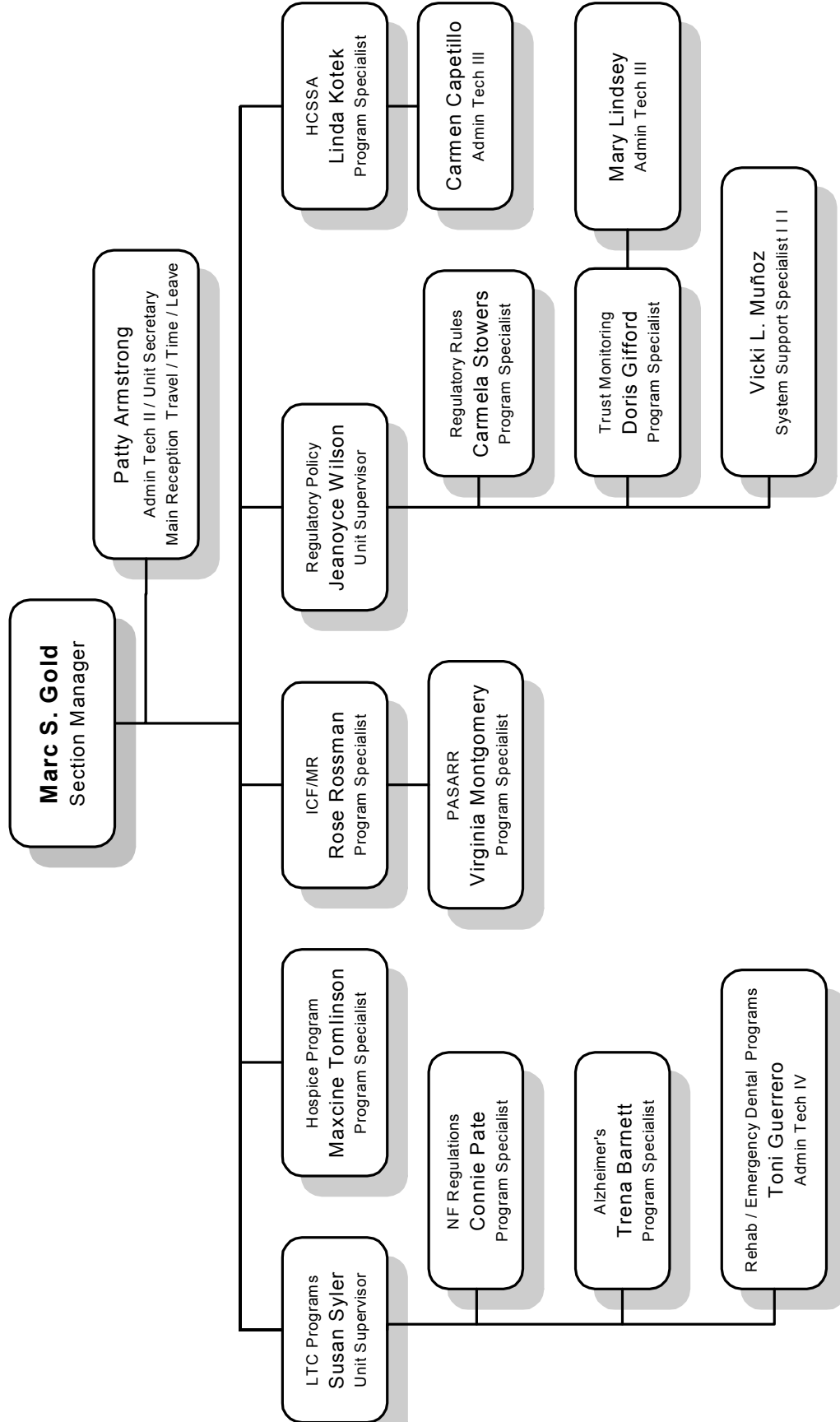
N/A

L. Please provide any additional information needed to gain a preliminary understanding of the program.

N/A

Long Term Care Policy

August 2001



Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Integrated Service Delivery
Location/Division	Office of Programs
Contact Name	Jackie Johnson, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	0
Number of Actual FTEs as of August 31, 2000	0

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

STAR+PLUS is a Texas Medicaid pilot project designed to integrate delivery of acute and long-term care services through managed care systems. The project serves approximately 55,000 SSI and SSI-related aged and disabled Medicaid recipients in Harris County (Houston). Three Health Maintenance Organizations (HMOs) participate in STAR+PLUS: MSCH-ACCESS, Americaid and HMO Blue, as well as the State Administered Plan, Texas Health Network (THN).

STAR+PLUS benefits Medicaid recipients by providing a continuum of care with a wider range of options and increased flexibility to meet individual needs. The goal of this pilot is to improve the delivery of health care services to our most vulnerable population. The participating Managed Care Organizations (MCOs) receive a capitated payment for each member and are at risk for costly emergency room and hospital care. By integrating acute and long-term care Medicaid funding, the MCOs are incentivized to provide community based services to keep members from needing expensive acute care services.

This project required two Medicaid Waivers (1915(b) and 1915(c)) in order to mandate participation and to provide home and community-based services. The federal government approved the waivers in January 1998. STAR+PLUS became mandatory for SSI clients in Harris County as of April 1, 1998.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

Senate Concurrent Resolution 55 (74th Legislative Session) required HHSC to pilot a cost-neutral model for the integrated delivery of acute and long-term care services for aged and disabled Medicaid recipients.

Even though aged and disabled clients are only 23 percent of the state’s Medicaid population, they account for almost 60 percent of the expenditures. As the baby boom generation ages, the number of people needing long-term care services will increase. The managed care emphasis on preventive care helps keep clients in their homes, reducing the need for institutional care.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

STAR+PLUS is an innovative alternative delivery system that may serve as a model for the entire state. Although the pilot has been successful (see section L), it has been criticized by traditional providers as

creating more administrative burden and slower payments. Both acute and LTC providers see managed care as a threat to their practice. Client advocates have been watching STAR+PLUS closely and are tentatively supporting the model. With the provider and consumer concerns in mind, we are cautiously looking at expanding the STAR+PLUS model to other service delivery areas.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

STAR+PLUS is for Medicaid clients in Harris County who are elderly or who have a physical or mental disability. Some currently receive long-term care services, but the majority do not. For those who neither need nor receive long-term care, STAR+PLUS acts as long-term care insurance. Many STAR+PLUS clients are “dually eligible” which means they are covered by both Medicaid and Medicare. Dual eligibles are enrolled in STAR+PLUS for assessment of long-term care services needs, as their primary health care is covered by Medicare. The charts below illustrate the average number of eligible clients who are participating in the STAR+PLUS program.

PLAN	CBA	NF	Community Care	TOTAL
THN	0	0	7,856	7,856
AMERICAID	892	25	16,237	17,154
HMO BLUE	823	35	24,598	25,456
Access PLUS	276	10	5,767	6,053
TOTAL	1,991	70	54,458	56,519

PLAN	Medicaid	Dual Eligible
THN	7,856	0
AMERICAID	8,876	8,278
HMO BLUE	10,387	15,069
Access PLUS	2,789	3,264
TOTAL	29,908	26,611

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

See organizational chart at the end of this section.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The program works closely with Centers for Medicare and Medicaid Services (CMS, formerly HCFA) because it is a Medicaid waiver program. This project required two Medicaid Waivers (1915(b) and 1915(c)) in order to mandate participation and to provide the CBA home and community-based services. The federal government approved the waivers in January 1998. The department continues to submit waiver renewals on the federal schedule.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue-Medicaid.....	\$101,403,423
Federal Funds:	
Title XIX Administration - 50/50.....	\$484,408
Title XIX Medicaid Match - 61.36/38.64.....	\$160,846,475
Total.....	\$262,734,306

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

There was some direction given by the legislature to expand STAR+PLUS to other service delivery areas. Since STAR+PLUS is more cost effective than fee-for-service, appropriations to the department were reduced to reflect more efficient service delivery. However, because expansion efforts take time, the anticipated savings may not occur during this biennium.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

The only similar program in Texas is the Program of All-inclusive Care for the Elderly (PACE). The PACE program is different in that it is; (1) voluntary, (2) includes Medicare funds, (3) clients receive services at one health center, (4) enrollment is limited, (5) clients must meet nursing facility medical necessity to qualify. See Community Care Services.

Other states have pilot programs similar to STAR+PLUS.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency’s customers.

Currently STAR+PLUS is only in Harris County and PACE is only in El Paso. We believe these programs can compliment each other and having one in a service area should not preclude the development of the other. Senate Bill 908, 77th Legislative Session, directs the department to expand the PACE program to additional sites in the state.

L. Please provide any additional information needed to gain a preliminary understanding of the program.

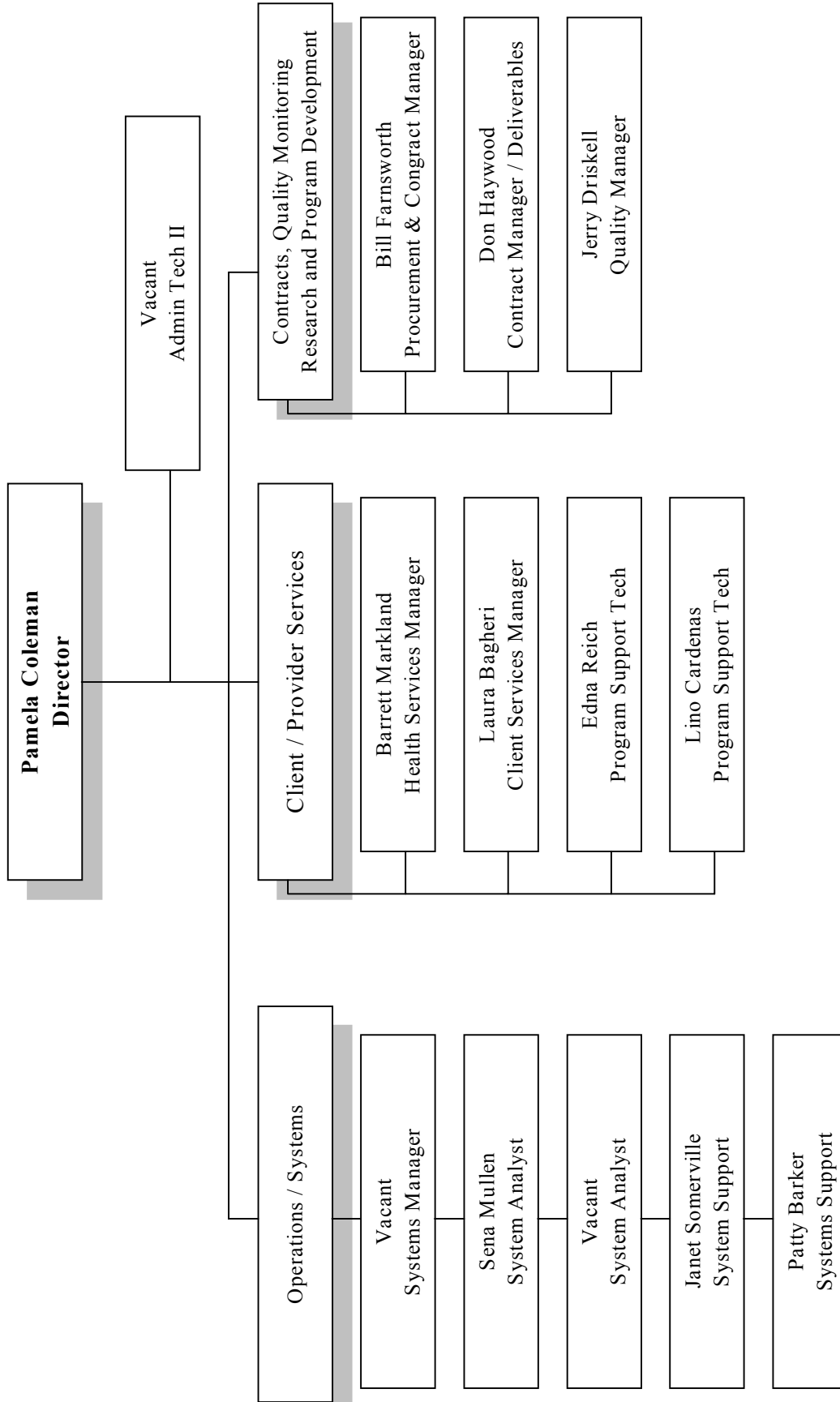
STAR+PLUS has been successful in achieving the following:

- Adult disabled clients in STAR+PLUS receive unlimited prescription drugs at no additional cost to the State.
- Over 32% more clients are receiving personal attendant care services at no additional cost to the state.
- STAR+PLUS members have personal Care Coordinators to assist them with getting services and

answering questions. Again, no increased cost to the state.

- Consumer satisfaction surveys indicate that clients like STAR+PLUS and would recommend their health plan to others,
- STAR+PLUS members have a personal doctor, access to a 24 hour nurse helpline, annual check-ups, and additional services not traditionally covered by Medicaid.
- STAR+PLUS saved \$2,171,085 in the first two years of operation.

Managed Care Department*
Functional Organizational Chart



*The staffing component of the Integrated Service Delivery strategy is funded by Long-Term Care Eligibility.

Name of Program	Long-Term Care Regulatory
Location/Division	Long-Term Care Regulatory
Contact Name	Jim Lehrman, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	1,089
Number of Actual FTEs as of August 31, 2000	1,011.49

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

Long-Term Care Regulatory (LTCR) Nursing Facility (NF) Program:

Nursing facilities (NFs) provide institutional nursing care to recipients who demonstrate a medical condition requiring the skills of a licensed nurse on a regular basis.

Long-Term Care Regulatory (LTCR) staff surveys facilities for compliance with state and federal regulations, and investigates reports of abuse, neglect and misappropriation of property alleged to have been committed by facility staff. LTC-R staff also certifies facilities for the Centers for Medicare and Medicaid Services (CMS) to ensure these facilities are in compliance with Medicare/Medicaid contract requirements and thus, able to receive federal dollars.

LTCR Assisted Living Facility Program:

Assisted living facilities are those which provide, food, shelter, and personal care services, to four or more persons who are unrelated to the owner of the establishment. These personal care services include:

- assistance with meals, dressing, movement, bathing, or other personal needs or maintenance;
- the administration of medication or the assistance with or supervision of dispensing medication;
- general supervision or oversight of the physical and mental well-being of a person who needs assistance to maintain a private and independent residence in the facility or who needs assistance to manage their personal life, regardless of whether a guardian has been appointed for the person.

Assisted living facilities should enhance a person’s ability to age in place in a residential setting while receiving increasing or decreasing levels of service as the person’s needs change.

DHS promulgates the licensing rules for assisted living facilities as outlined under the Texas Health and Safety Code, Chapter 247. The agency licenses assisted living facilities, surveys them for compliance with state regulations, and investigates reports of abuse, neglect and misappropriation of property alleged to have been committed by facility staff.

LTCR Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC) Program:

Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC) provide specialized institutional care and treatment for persons with mental retardation or a related condition. The benefits to ICF-MR/RC residents include room, board, active treatment, adjunctive therapies, and programs to enable clients to function as independently as possible

DHS staff surveys each ICF-MR/RC facility for compliance with federal and state regulations on at least an annual basis, as required by federal regulation. Staff also certifies facilities for Medicaid participation, investigates reports of abuse, neglect or misappropriation of property alleged to have been committed by facility staff, and offers provider education in cooperation with the TDMHMR. The agency promulgates the licensing rules as outlined under the Texas Health and Safety Code, Chapter 252.

LTCR Adult Day Care Facility Program:

Adult Day Care Centers provide daytime services to clients residing in the community as an alternative to placement in nursing homes or other institutions. Services are designed to address the physical, mental, and social needs of clients.

DHS promulgates the licensing rules for Adult Day Care Centers as outlined under the Texas Human Resources Code, Chapter 103. LTCR staff surveys facilities for compliance with state regulations, and investigates reports of abuse, neglect and misappropriation of property alleged to have been committed by facility staff. Community Care contract management staff monitor facilities participating in the Day Activity and Health Services (DAHS) program.

LTCR Home Community and Support Services Agencies (HCSSA) Program:

Home and community support services agencies (HCSSAs) provide home health, hospice, or personal assistance services in a client's residence, an independent living environment, or another appropriate location, such as an assisted living residence. The mission of the HCSSA program is to ensure the health, safety, and well being of individuals who receive such services.

Home health services include nursing services, including physical, occupational, and speech therapy; respiratory or intravenous therapy; medical social services; dialysis' services provided by unlicensed personnel; and the furnishing of medical equipment and supplies (excluding drugs and medicines or nutritional counseling).

Hospice services consist of palliative care (intervention services that focus primarily on the reduction or abatement of physical, psychological, and spiritual symptoms of a terminal illness), and support services for clients and their families.

Personal assistance services are routine, ongoing care or services required by an individual in a residence or independent living environment that enable the individual to engage in the activities of daily living or to perform physical functions required for independent living, including respite services.

LTCR staff is responsible for licensing, certifying, and inspecting HCSSAs. DHS promulgates the licensing rules for HCSSAs as outlined under the Texas Health and Safety Code, Chapter 142.

LTCR staff surveys agencies for compliance with state and federal regulations, and investigates reports of abuse, neglect and misappropriation of property alleged to have been committed by agency staff. The HCSSA program also assists agencies in applying for Medicare certification in order to participate in the federal reimbursement program. HCSSAs receiving Medicare reimbursement are required to maintain certification and meet specific requirements for that program.

<p>C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.</p>
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LTCR Nursing Facility (NF) Program:

State legislation providing for the statewide regulation of nursing facilities (NFs) was enacted in 1953. Statutory language can be found in Chapter 242 of the Texas Health and Safety Code. The NF program was created to protect the health and safety of residents.

At the federal level, the statutory basis includes Title XVIII and Title XIX of the Social Security Act.

Regulatory basis includes Part 483 of the Code of Federal Regulations, and Chapter 19 of the Texas Administrative Code.

LTCR Assisted Living Facility Program:

Prior to 1989, regulation authority was included in Chapter 242 of the Texas Health and Safety Code. State legislation, passed in 1989, placed assisted living facilities in their own chapter — Chapter 247 of the Texas Health and Safety Code. The assisted living facility program was created to protect the health and safety of residents.

Statutory basis includes Chapter 247 of the Texas Health and Safety Code.

Regulatory basis includes Title 40, Part 1, Chapter 19 of the Texas Administrative Code.

LTCR Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC) Program:

The ICF-MR/RC regulatory program was established in 1971 under Title XIX of the Social Security Act. The program was created to establish minimum standards for the care and treatment of persons with mental retardation who reside in institutions. Federal standards were developed and states were given the option of participating in the program in return for Medicaid grants-in-aid. Texas has elected to participate in the program since it began.

The purpose of the state regulatory function is to protect the health and safety of persons residing in ICFs-MR/RC and to provide assurance to the federal government that facilities certified as ICFs-MR/RC meet the federal conditions for participation. The state regulatory function also includes the licensing of privately-operated facilities. The license provides the state with a mechanism to intervene with a trustee if the facility provides substandard care.

Statutory basis includes Sections 483.400 to 483.480, Code of Federal Regulations.

Regulatory basis includes Chapter 90 of the Texas Administrative Code; 25 TAC Chapter 406 and Chapter 419 Subchapter E and 1 TAC Chapters 351 and 355.

LTCR Adult Day Care Facility Program:

State legislation was passed in 1983 for the statewide regulation of adult day care facilities. The adult day care facility program was created to protect the health of safety of recipients.

Statutory basis includes Chapter 103 of the Texas Human Resources Code, and Title XIX and Title XX of the Social Security Act.

Regulatory basis includes Chapter 98 of the Texas Administrative Code.

LTCR Home Community and Support Services Agencies (HCSSA) Program:

State legislation was passed in 1979 for the statewide licensing and regulation of home and community support services agencies (HCSSAs). The HCSSA program was created to protect the health and safety of those who receive home health, hospice, and/or personal assistance services.

Statutory basis includes Chapter 142 of the Texas Health and Safety Code.

Regulatory basis includes Title 40, Chapter 97 of the Texas Administrative Code.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

LTCR Nursing Facility (NF) Program:

Prior to 1993, nursing facility (NF) licensure, certification, and survey functions were administered by TDH. These functions were transferred to DHS as a result of HB 7, passed during the 72nd Legislative Session.

The NF regulatory program was created to protect the health and safety of those residing in nursing facilities. As long as there are aged and disabled individuals requiring skilled nursing facility (SNF)/nursing facility care, it is not anticipated that there will be a time when the program will no longer be needed.

LTCR Assisted Living Facility Program:

Prior to 1993, the LTCR assisted living facility licensure functions were administered by the TDH. These functions were transferred to DHS by HB 7, passed by the 72nd Legislative Session.

The assisted living facility regulatory program was created to protect the health and safety of those residing in the facilities. As long as there is a need for assisted living, which is becoming a larger part of the overall long-term care plan, there will be a need for this program.

LTCR Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC) Program:

On September 1, 1993, DHS acquired the license, survey, certification, and operating functions for the intermediate care facilities for the mentally retarded/related conditions (ICF-MR/RC) program from TDH. The following year, TDMHMR became the operating agency for the ICF-MR/RC program.

Licensing, survey, and certification remained with DHS. On January 1, 1998 the Health and Safety Code was amended to include Chapter 252 specifically for ICFs-MR/RC.

DHS currently surveys all ICFs-MR/RC, conducts investigations, and applies sanctions such as administrative penalties, license revocations, and certification actions against facilities. HHSC determines the size of the program, establishes rates, and oversees all of the rules promulgated by the health and human service agencies. The Department of Protective and Regulatory Services investigates abuse and neglect allegations in non-licensed (publicly-owned) facilities. As the operating agency, TDMHMR recommends policies, monitors trust funds, conducts utilization reviews, contracts with providers, reimburses providers, and makes recommendations for contract sanctions and directed plans of correction.

The ICF-MR/RC regulatory program was created to protect the health and safety of some of our most vulnerable citizens. It is anticipated that there will not be a time when the program is not needed.

LTCR Adult Day Care Facility Program:

Prior to 1993, the adult day care facility licensure functions were administered by the Texas Department of Health (TDH). These functions were transferred to DHS by HB 7, passed by the 72nd Legislative Session.

The purpose of the adult day care regulatory program is to protect the health and safety of recipients of adult day care services. These services are becoming a significant piece of the overall long-term care delivery system and it is not anticipated there will be a time when the regulation of these facilities will no longer be needed.

LTCR Home Community and Support Services Agencies (HCSSA) Program:

Prior to September 1, 1999, the HCSSA licensure functions were administered by TDH. These functions were transferred to DHS by SB 96, 76th Texas Legislature.

The HCSSA program was created to ensure the health, safety, and well-being of individuals who receive home health, hospice, and/or personal assistance services. As long as there is a need for these types of services, which are becoming a larger part of the overall long-term care delivery system, there will be a need for this program.

<p>E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.</p>
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LTCR Nursing Facility (NF) Program:

According to the most recent facility statistics report dated August 31, 2000, Texas had 1,253 licensed/certified NFs with the licensed capacity of 129,740. Data shows these 1,253 facilities were serving 94,536 residents. Of those 94,536 recipients, 65,200 were Medicaid clients. To become eligible for Medicaid coverage in a NF, an applicant must: meet medical necessity requirements; demonstrate financial eligibility; meet pre-admission screening and resident review requirements, and been have been in a Medicaid certified bed for 30-days, if not previously eligible for Medicaid.

LTCCR Assisted Living Facility Program:

According to the most recent facility statistics report dated August 31, 2000, there were 1,190 licensed assisted living facilities in Texas, with a 39,582-bed capacity. These facilities were serving 21,886 individuals.

There are four different licensure categories for assisted living facilities in Texas.

In a Type A facility a resident:

- a. must be physically and mentally capable of evacuating the facility unassisted. This may include persons who are mobile, although non-ambulatory, such as persons in wheelchairs or electric carts having the capacity to transfer and evacuate themselves in an emergency.
- b. does not require routine attendance during nighttime sleeping hours; and
- c. must be capable of following directions under emergency conditions.

In a Type B facility a resident may:

- a. require staff assistance to evacuate;
- b. be incapable of following directions under emergency conditions;
- c. require attendance during nighttime sleeping hours; or
- d. not be permanently bedfast, but may require assistance in transferring to and from a wheelchair.

A Type C facility is a four-bed facility, which meets the minimum standards and program rules for enrollment with the DHS Adult Foster Care Facility (AFC) Program. Residents of a Type C facility must meet the AFC requirements.

In a Type E facility a resident:

- a. must be physically and mentally capable of evacuating the facility unassisted. This may include persons who are mobile, although non-ambulatory, such as persons in wheelchairs or electric carts having the capacity to transfer and evacuate themselves in an emergency.
- b. must not require routine attendance during nighttime sleeping hours; and
- c. must be capable of following directions under emergency conditions.

Type E facilities may only provide medication supervision and general supervision of residents' welfare, and may not provide substantial assistance with activities of daily living.

LTCCR Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC) Program:

This program serves persons with mental retardation or a related condition that exhibit significant deficits in adaptive behavior. According to the most recent facility statistics report dated August 31, 2000, 901 intermediate care facilities in Texas, with the bed capacity of 14,690. These facilities were serving 13,006 clients in facilities ranging from 6-bed group homes to large state schools.

To be eligible for government assistance in paying for their care, persons must meet Medicaid income limits and meet the state criteria for mental retardation or a related condition. Services are limited to the number of beds that are allocated for the program by HHSC.

LTCR Adult Day Care Facility Program:

The adult day care program provides daytime services to clients residing in the community in order to provide an alternative to placement in nursing homes or other institutions. Services are designed to address the physical, mental and social needs of clients.

According to the most recent facility statistics report, there were 361 licensed adult day care facilities with the licensed capacity for 24,664 clients, serving 11,518 clients at the end of FY 2000. Throughout the entire fiscal year, 12,600 clients participated in the Medicaid/Adult Day Care Program.

Adult Day Care client eligibility includes:

Age: No limit

Income: Title XIX - must be SSI eligible
Title XX - \$1,590/month for an individual
- \$3,180/month for couple

Resources: \$5,000 or less for an individual if not SSI eligible
\$6,000 or less for a couple if not SSI eligible

Other Requirements:

- Medicaid diagnosis and physician's orders requiring care or supervision by a licensed nurse.
- A functional disability related to medical diagnosis.
- The need for assistance with one or more personal care tasks.

LTCR Home Community and Support Services Agencies (HCSSA) Program:

The HCSSA program serves Texas citizens who receive home and community support services including home health, hospice, and/or personal assistance services. The program does not maintain a census of clients receiving home and community support services. At the end of FY 1999, there were 2,553 parent agencies, branch agencies, and alternate delivery sites. At the end of FY 2000, there were 2,198 parent agencies, branch agencies, and alternate delivery sites.

The HCSSA Program is responsible for licensing, certifying and regulating agencies that provide home health, hospice, and/or personal assistance services. It does not administer client eligibility for those receiving services.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

The LTCR program performs licensing, survey and Medicaid/Medicare certification functions for long-term care facilities and home and community support services agencies. LTCR staff inspects and surveys these entities to ensure they are in compliance with all applicable state and/or federal laws.

Please refer to the LTCR State Office organizational chart at the end of this section.

The Office of the Deputy Commissioner for LTCR is responsible for the overall performance of the program, providing leadership, direction, expectations and supervision of the program.

Centralized Operations is responsible for facility license applications processing, operation of the complaint hotline, data management, budget services and issuance of facility enforcement sanctions. The licensing and certification of nursing facility administrators, medication aides and nurse aides also are housed here.

The Office of Home and Community Support Services Agencies (HCSSAs) manages all aspects of the licensing, surveying and enforcement of home health agencies and hospices.

The Office of Field Operations is responsible for managing the program's regional offices, education and training activities and surveyor quality management functions. This office also currently houses the Informal Dispute Resolution (IDR) process through which facilities are able to pursue informal appeals of sanctions decisions.

The External Relations Office serves as the key contact for government relations for the program. Staff is responsible for providing timely, accurate and complete information to legislators and their staff, advocates, providers, the media and the general public.

LTCR Nursing Facility (NF) Program:

DHS is responsible for licensing, surveying and certifying skilled nursing facilities (SNFs) and nursing facilities (NFs) to ensure compliance with state and federal laws and regulations. Through these regulatory activities, DHS provides protection to Texas citizens receiving long-term care and services.

Nursing facilities must be licensed to operate in the state of Texas. To become licensed, a facility must properly complete a multi-page license application, pay the required licensure fee and pass a health and life safety code inspection. In addition, background checks are conducted on individuals and corporations who will be responsible for the health and safety of residents in nursing facilities to ensure they have a good history of operating long-term care facilities. A NF license is valid for two years.

For a facility to retain its license, the results of any inspection, survey, follow-up or complaint/incident investigation must show the facility to be in substantial compliance with the current state licensure laws and rules.

Participation in the state and federal Medicaid program and the federal Medicare program is voluntary. Each nursing facility must be certified for the appropriate Medicaid and/or Medicare program to be able to serve residents who are eligible for this program. Once the facility is found to be in compliance with state and federal regulations, DHS recommends to the Centers for Medicare and Medicaid Services (CMS) that the facility be certified.

Nursing facilities are surveyed annually to ensure they are in compliance with state licensure and federal certification regulations. Complaints and incident reports from residents, family members, friends, and others are investigated according to a priority assigned to the complaint when it is made. Some complaints and incidents in facilities are investigated within 24-hours, some within 14 days, and others are investigated within 45 days, depending on the immediacy and seriousness of the event. Some incidents are not investigated by an on-site visit if the facility itself is deemed to have investigated the event to determine the cause and made the necessary changes to remove the problems. If a violation of regulations is found during a visit, a follow-up visit is made to ensure that the cause of the violation has been corrected and the facility is in compliance with the regulations. All surveys and complaint and incident investigations are conducted without informing the facility before the investigation begins.

Long-Term Care Regulatory staff survey facilities for compliance with state and federal regulations, and investigate reports of abuse, neglect and misappropriation of property alleged to have been committed by

facility staff. Various combinations of DHS staff are assigned to do surveys or complaint/incident investigations in a nursing facility, depending on the type of visit and the type of facility being investigated. DHS employs surveyors from a number of professional disciplines including Registered Nurses, Social Workers, Nutritionists, Architects, Engineers and Life Safety Code Specialists to ensure that all aspects of resident care and facility safety are considered. One or more surveyors, from specific areas of expertise, are assigned to investigate complaints and incidents depending on the nature of the complaint or incident and the size of the facility. The annual survey of a facility is conducted by a team of specialists.

When the survey, inspection, investigation or follow-up visit is completed, the surveyor or survey team writes a report of the findings, detailing the facility's failure to comply with regulations and the evidence of the violations, called deficiencies. Survey reports are required to be available to all residents and visitors to the facility. The survey results may also be requested from DHS's Long-Term Care Customer Services hotline.

Once the report is completed, an enforcement team reviews the findings to determine if an enforcement action is necessary to compel the facility to take the needed corrective actions to ensure resident health and safety. There is an array of enforcement actions available under state licensing or federal Medicaid/Medicare regulations. Enforcement actions can be a monetary penalty, an action against a facility's license or contract for Medicaid/Medicare, suspension of admissions, referral to the Texas Attorney General for penalties, etc.

State and federal regulations give nursing facilities the right to appeal the cited violations (deficiencies) and/or enforcement actions.

LTCR Assisted Living Facility Program:

DHS is responsible for licensing and surveying assisted living facilities to ensure compliance with state regulations. LTCR staff surveys facilities for compliance with state regulations, and investigates reports of abuse, neglect and misappropriation of property alleged to have been committed by facility staff.

Assisted living facilities must be licensed to operate in the state of Texas. To become licensed, a facility must properly complete a multi-page license application, pay the required licensure fee and pass a health and life safety code inspection. In addition, background checks are conducted on individuals and corporations who will be responsible for the health and safety of residents in assisted living facilities to ensure they have a good history of operating long-term care facilities. An assisted living facility license is renewed annually.

For a facility to retain its license, the results of any inspection, survey, follow-up or complaint/incident investigation must show the facility to be in substantial compliance with the current state licensure laws and rules.

Assisted living facilities are surveyed annually to ensure they are in compliance with state licensure and federal certification regulations. Complaints and incident reports from residents, family members, friends, and others are investigated according to a priority assigned to the complaint when it is made. Some complaints and incidents in facilities are investigated within 24-hours, some within 14 days, and others are investigated within 45 days, depending on the immediacy and seriousness of the event. Some incidents are not investigated by an on-site visit if the facility itself is deemed to have investigated the event to determine the cause and made the necessary changes to remove the problems. If a violation of regulations is found during a visit, a follow-up visit is made to ensure that the cause of the violation has been corrected and the facility is in compliance with the regulations. All surveys and complaint and incident investigations are conducted without informing the facility before the investigation begins.

Various combinations of DHS staff are assigned to do surveys or complaint/incident investigations in an assisted living facility, depending on the type of visit and the type of facility being investigated. DHS has available surveyors from a number of professional disciplines including Registered Nurses, Social Workers, Nutritionists, Architects, Engineers and Life Safety Code Specialists to ensure that all aspects of resident care and facility safety are considered. One or more surveyors, from specific areas of expertise, are assigned to investigate complaints and incidents depending on the nature of the complaint or incident and the size of the facility. The annual survey of a facility is conducted by a team of specialists.

When the survey, inspection, investigation or follow-up visit is completed, the surveyor or survey team writes a report of the findings, detailing the facility's failure to comply with regulations and the evidence of the violations, called deficiencies. Survey reports are required to be made available to all residents and visitors to the facility. The survey results may also be requested from DHS's Long-Term Care Customer Services hotline.

Once the survey report is completed, an enforcement team reviews the findings to determine if an enforcement action is necessary to compel the facility to take the needed corrective actions to ensure resident health and safety. There is an array of enforcement actions available under state licensing regulations. Enforcement actions can be an action against a facility's license, referral to the Texas Attorney General for penalties, etc.

State regulations give assisted living facilities the right to appeal the cited violations (deficiencies) and/or enforcement actions.

LTCR Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC) Program:

DHS is responsible for licensing and surveying ICFs-MR/RC to ensure compliance with state regulations. LTCR staff surveys facilities for compliance with state regulations, and investigates reports of abuse, neglect and misappropriation of property alleged to have been committed by facility staff. Through these regulatory activities, DHS provides protection to Texas citizens receiving this specialized care and services.

Providers enroll in the program by applying to TDMHMR. Privately operated facilities must also apply for a license with DHS. Enrollment is limited to the number of beds included in the HHSC plan for ICFs/MR/RC. The program is currently not accepting new applications.

Regulatory functions are conducted by the LTCR division of DHS. All intermediate care facilities, with the exception of the state schools, state centers and community MHMR centers, must be licensed to operate in the state of Texas. To become licensed, a facility must properly complete a multi-page license application, pay the required licensure fee and pass a health and life safety code inspection. In addition, background checks are conducted on individuals and corporations who will be responsible for the health and safety of residents in intermediate care facilities to ensure they have a good history of operating long-term care facilities. DHS conducts an initial license or certification survey to determine if the facility meets minimum life safety code and program standards.

For a facility to retain its license, the results of any inspection, survey, follow-up or complaint/incident investigation must show the facility to be in substantial compliance with the current state licensure laws and rules.

Participation in the state and federal Medicaid program is voluntary. Each intermediate care facility must be certified for the appropriate Medicaid program to be able to serve residents who are eligible for this program. Once the facility is found to be in compliance with state and federal regulations, DHS recommends to the TDMHMR that the facility be certified for Medicaid. The facility receives certification and TDMHMR enters into a time-limited contract with the provider. The facility determines who will be admitted to the facility. TDMHMR is currently implementing a statewide strategy to have the local mental retardation authorities serve as the referral source for facilities. TDMHMR's Utilization Review Section currently monitors discharges.

Intermediate care facilities are surveyed annually to ensure they are in compliance with state licensure and federal certification regulations. Complaints and incident reports from residents, family members, friends, and others are investigated according to a priority assigned to the complaint when it is made. Some complaints and incidents in facilities are investigated within 24-hours, some within 14 days and others are investigated within 45 days, depending on the immediacy and seriousness of the event. Some incidents are not investigated by an on-site visit if the facility itself is deemed to have investigated the event to determine the cause and made the necessary changes to remove the problems. If a violation of regulations is found during a visit, a follow-up visit is made to ensure that the cause of the violation has been corrected and the facility is in compliance with the regulations. All surveys and complaint and incident investigations are conducted without informing the facility before the investigation begins.

Various combinations of DHS staff are assigned to do annual surveys or complaint/incident investigations in an intermediate care facility, depending on the type of visit and the type of facility being investigated. DHS utilizes surveyors from a number of professional disciplines including Registered Nurses, Social Workers, Nutritionists, Architects, Engineers and Life Safety Code Specialists to ensure that all aspects of resident care and facility safety are considered. Federal and state regulations require that Qualified Mental Retardation Professionals conduct the certification surveys. One or more surveyors, from specific areas of expertise, are assigned to investigate complaints and incidents depending on the nature of the complaint or incident and the size of the facility. The annual survey of a facility is conducted by a team of specialists.

When the survey, inspection, investigation or follow-up visit is completed, the surveyor or survey team writes a report of the findings, detailing the facility's failure to comply with regulations and the evidence of the violations, called deficiencies. Survey reports should be available to residents, families, or visitors when requested. The survey results may also be requested from DHS's Long-Term Care Customer Services hotline.

Once the survey report is completed, an enforcement team reviews the findings to determine if an enforcement action is necessary to compel the facility to take the needed corrective actions to ensure that appropriate and safe care is provided to residents and clients. Facilities that comply with regulations are re-certified and given a new 12-month contract. If a licensed provider is not meeting one of the federal conditions for participation, or violates certain state regulations, enforcement actions may be pursued. These actions may include administrative penalties, actions against the license or certification, or other actions that may affect vendor payments to the facility. DHS also makes referrals to the state Attorney General for civil penalties for violations relating to abuse and neglect.

State regulations give facilities the right to appeal the cited violations (deficiencies) and/or enforcement actions.

LTCR Adult Day Care Facility Program:

DHS is responsible for licensing and surveying adult day care facilities to ensure compliance with state laws and regulations. LTCR staff surveys facilities, and investigates reports of abuse, neglect and misappropriation of property alleged to have been committed by facility staff. The DHS Community Care staff is responsible for determining adult day care facility compliance with Medicaid contracting rules through survey and investigation activities.

Adult day care facilities must be licensed to operate in the state of Texas. To become licensed, a facility must properly complete a multi-page license application, pay the required licensure fee and pass a health and life safety code inspection. In addition, background checks are conducted on individuals and corporations who will be responsible for the health and safety of clients of adult day care facilities to ensure they have a good history of operating facilities. An adult day care license is renewed annually.

For a facility to retain its license, the results of any inspection, survey, follow-up or complaint/incident investigation must show the facility to be in substantial compliance with the current state licensure laws and rules.

Adult day care facilities are surveyed annually to ensure they are in compliance with state licensure regulations. Complaints and incident reports from residents, family members, friends, and others are investigated according to a priority assigned to the complaint when it is made. Some complaints and incidents in facilities are investigated within 24-hours, some within 14 days, and others are investigated within 30 days, depending on the immediacy and seriousness of the event. Some incidents are not investigated by an on-site visit if the facility itself is deemed to have investigated the event to determine the cause and made the necessary changes to remove the problems. If a violation of regulations is found during a visit, a follow-up visit is made to ensure that the cause of the violation has been corrected and the facility is in compliance with the regulations. All surveys and complaint and incident investigations are conducted without informing the facility before the investigation begins.

Various combinations of DHS staff are assigned to do surveys or complaint/incident investigations in a adult day care facility, depending on the type of visit and the type of facility being investigated. DHS utilizes surveyors from a number of professional disciplines including Registered Nurses, Social Workers, Nutritionists, Pharmacists, Architects, Engineers and Life Safety Code Specialists to ensure that all aspects of resident care and facility safety are considered. One or more surveyors from specific areas of expertise are assigned to investigate complaints and incidents depending on the nature of the complaint or incident and the size of the facility.

When the survey, inspection, investigation or follow-up visit is completed, the surveyor or survey team writes a report of the findings, detailing the facility's failure to comply with regulations and the evidence of the violations, called deficiencies. Survey reports are required to be made available to all residents and visitors to the facility. The survey results may also be requested from DHS's Long-Term Care Customer Services hotline.

Once the report is completed, an enforcement team reviews the findings to determine if an enforcement action is necessary to compel the facility/agency to take the needed corrective actions to ensure client health and safety. There is an array of enforcement actions available under state licensing laws. Enforcement actions can be an action against a facility's license or a referral to the Texas Attorney General for penalties, etc.

State regulations give facilities the right to appeal the cited violations (deficiencies) and/or enforcement actions.

LTCR Home Community and Support Services Agencies (HCSSA) Program:

DHS is responsible for licensing, surveying and certifying home and community support services agencies (HCSSAs) to ensure compliance with state and federal laws and regulations. Through these regulatory activities, DHS provides protection to Texas citizens receiving long-term care services.

HCSSAs must be licensed to operate in the state of Texas. To become licensed, an agency must properly complete a license application, pay the required licensure fee and attend a pre-survey conference. Once a license is issued, the agency must notify DHS upon enrolling their first client and request an initial survey. On-site inspections of agencies are conducted within 18 months after a survey for an initial license; after that time, an on-site survey is conducted at least every 36 months. In addition, DHS may survey at any time, unannounced, in order to investigate a complaint.

For an agency to retain its license, the results of any inspection, survey, follow-up or complaint/incident investigation must show the agency to be in substantial compliance with the current state and/or federal licensure and certification laws and rules.

Participation in the state and federal Medicaid program and the federal Medicare program is voluntary. Each agency must be certified for the appropriate Medicaid and/or Medicare program to be able to serve residents who are eligible for this program. Once the facility is found to be in compliance with state and federal regulations, DHS recommends to the Centers for Medicare and Medicaid Services (CMS) that the agency be certified.

Complaints and incident reports from residents, family members, friends, and others are investigated according to a priority assigned to the complaint when it is made. Some complaints and incidents of agencies are investigated within 2 working days, some within 10 or 45 days, and others are investigated at the next on-site visit, depending on the immediacy and seriousness of the event. Some incidents are not investigated by an on-site visit if the agency itself is deemed to have investigated the event to determine the cause and made the necessary changes to remove the problems. In some cases, a telephone investigation may be warranted. If a violation of regulations is found during a visit, a follow-up visit is made to ensure that the cause of the violation has been corrected and the care of residents or clients is in compliance with the regulations. All surveys and complaint and incident investigations are conducted without informing the agency before the investigation begins.

When the survey, inspection, investigation, or follow-up visit is completed, the surveyor or survey team writes a report of the findings, detailing the agency's failure to comply with regulations and the evidence of the violations, called deficiencies. Survey reports are required to be made available to the clients. The survey results may also be requested from DHS's Long-Term Care Customer Services hotline.

Once the survey report is completed, an enforcement team reviews the findings to determine if an enforcement action is necessary to compel the agency to take the needed corrective actions to ensure that appropriate and safe care is provided to clients. There is an array of enforcement actions available under state licensing or federal Medicaid/Medicare regulations. Enforcement actions can be a monetary penalty, an action against a facility's license or contract for Medicaid/Medicare, suspension of admissions, referral to the Texas Attorney General for penalties, etc.

State and federal regulations give agencies the right to appeal the cited violations (deficiencies) and/or enforcement actions.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

LTCR Nursing Facility Program:

The Centers for Medicare and Medicaid Services (CMS), formally known as the Health Care Financing Administration (HCFA), develops regulations for the Medicare skilled nursing facility (SNF) program and the Medicaid NF program. CMS contracts with DHS to survey SNFs for compliance with federal regulations. CMS performs “look-behind” surveys to assess the performance of the DHS surveyors.

LTCR Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC) Program:

The program is operated in cooperation with CMS. HHSC has a State Plan with CMS that details the state’s operation of the program.

There are two interagency memorandums of understanding (MOU) for the ICF-MR/RC program:

- The TDMHMR/DHS MOU
- The Texas Education Agency MOU on services to children living in residential facilities.

LTCR Home Community and Support Services Agencies (HCSSA) Program:

The HCSSA program works with the following federal and state government entities in the regulation of home and community support agencies.

- Centers for Medicare and Medicaid Services (CMS) – The HCSSA program has a mutual agreement with the federal agency to regulate the home health and hospice services provided by Medicare certified agencies in accordance with federal laws and operating procedures.
- Texas Department of Health (TDH) – The program works with TDH in regard to certain complaint investigations that involve the Medically Dependent Children Program (this program will be transferred to DHS on September 1, 2001).
- Texas Department of Mental Health and Mental Retardation (TDMHMR) – The program has a collaborative agreement in regard to mentally ill and mentally retarded clients who receive home health, hospice, and/or personal assistance services as provided by an agency licensed by the HCSSA Program. A MOU specifies which department has lead responsibilities for enforcement actions.
- Texas Department of Protective and Regulatory Services (PRS) – MOU specifies roles and responsibilities regarding investigations of abuse/neglect/exploitation with direct care staff and family to family issues.
- Texas Board of Nurse Examiners (BNE) – The HCSSA program has a cooperative agreement with the BNE whereby DHS uses BNE guidelines in the investigative process of nursing in HCSSAs. In 1998, TDH and the BNE adopted an MOU between the two agencies. The MOU outlines the specific guidelines and practices that do not constitute the practice of professional nursing and may be performed by unlicensed persons without RN delegation or supervision. In the following year, the HCSSA Program was transferred to DHS. The MOU has not been revised to reflect the change, however the text and intent of the document still apply to the survey and

investigations of HCSSAs. The HCSSA Program refers nurses who have been found to be acting outside their licensing requirements to the BNE for further investigation.

All LTCR Facility Programs:

Through a MOU, PRS investigates allegations of abuse, neglect or misappropriation of property, by persons other than facility staff.

The Texas Education Agency MOU addresses services to children living in residential facilities. DHS ensures that facilities that admit children are in compliance with reporting requirements.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:

General Revenue.....	\$5,559,099
General Revenue-HCSSA.....	\$1,183,581
General Revenue-Medicaid.....	\$6,417,927
Earned Federal Funds.....	\$3,548

Federal Funds:

Title XIX Administration - 50/50.....	\$183,317
Title XVIII - State Survey and Certification.....	\$16,514,521
State Survey and Certification - 50/50.....	\$640,040
State Survey and Certification - 75/25.....	\$16,770,484

Total..... \$47,272,517

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

There will be several significant financial and resource challenges facing the Long-Term Care Regulatory (LTCR) program in State Fiscal Years 2002 and 2003. SB 1839, 77th Texas Legislature, transfers \$5 million out of the program’s survey and certification functions and reduces staffing by 82 FTEs. In spite of these cuts, the program will continue its commitment to protecting recipients of long-term care services. It must be acknowledged, however, that the program’s ability to meet federal timeliness requirements will be compromised by these cuts and the workload for the remaining staff will be increased.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

The Centers for Medicare and Medicaid Services (CMS) develops regulations for the Medicare skilled nursing facility (SNF) program and the Medicaid nursing facility (NF) program. CMS contracts with DHS to survey SNFs for compliance with federal regulations. CMS performs “look-behind” surveys to assess the performance of the DHS surveyors.

The DHS Long-Term Care Credentialing Department investigates nursing facility administrators (NFAs)

when it receives complaints and referrals of substandard quality of care (SQC) and/or violations of the NFA standards of conduct. Additionally, the program investigates complaints against nurse aides and uncredentialed employees of licensed long-term care facilities.

Through the Texas Ombudsman Program the Texas Department on Aging identifies, investigates, and resolves complaints made by or on behalf of residents in nursing and assisted living facilities.

TDMHMR recently assumed enforcement responsibilities relative to state hospitals and privately-owned intermediate care facilities for the mentally retarded/related conditions (ICFs-MR/RC). TDMHMR also conducts monitoring on those HCSSAs that serve only persons with a mental retardation under the Home and Community-based Services (HCS) waiver program.

HHSC, in conjunction with the State Office of the Attorney General, investigates reports of Medicaid provider fraud and abuse.

Through a memorandum of understanding, PRS investigates allegations of abuse, neglect or misappropriation of property, by persons other than facility staff.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

DHS works closely with TDMHMR and HHSC to coordinate services for persons with mental retardation. There is a long-term care workgroup that specifically addresses coordinated planning between DHS and TDMHMR. DHS and TDMHMR also have a memorandum of understanding relating to the regulation of home and community support service agencies for the Home and Community-Based Services Program, which is an ICF waiver program. DHS holds quarterly stakeholder meetings with providers and the public to discuss issues that arise in the ICF-MR/RC program. DHS also conducts customer feedback surveys from providers to improve the agency's role as a partner in the provision of service.

L. Please provide any additional information needed to gain a preliminary understanding of the program.

LTCR Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC) Program:

The ICF-MR/RC program provides a comprehensive array of services coordinated by a Qualified Mental Retardation Professional on an individual's program plan. The plan is developed by an interdisciplinary team of mental retardation professionals, family members and direct care workers. The plan is intended to maximize the person's independence by providing an aggressive program of training, treatment, habilitative goals, and medical services. The ICF-MR/RC program provides one of the most comprehensive arrays of Medicaid services offered in the state.

M. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. If this is a regulatory program, please describe:

- why the regulation is needed;
- the scope of, and procedures for, inspections or audits of regulated entities;
- follow-up activities conducted when non-compliance is identified;
- sanctions available to the agency to ensure compliance; and
- procedures for handling consumer/public complaints against regulated entities.

LTCR Nursing Facility (NF) Program:

The purpose of the NF regulatory program is to protect the health and safety of residents of such facilities. In addition, it is necessary for facilities to be licensed by LTCR in order to receive federal contracts and be reimbursed by Medicaid and Medicare.

Inspections are conducted annually to determine compliance with state and federal regulations, and to investigate reported complaints or incidents of abuse, neglect or exploitation.

Follow-up inspections are conducted when non-compliance is identified. The severity of the non-compliance determines the degree of these inspections.

Sanctions available to ensure facility compliance with state licensure requirements include:

- Administrative Penalties;
- Denial of license or renewal of license;
- Exclusion from licensure;
- Suspension or revocation of a license;
- Emergency suspension of a license or closing order;
- Referral to the Attorney General for civil penalties;
- Suspension of admissions; and
- Involuntary appointment of a trustee.

Sanctions available to ensure facility compliance with federal certification requirements include:

- Directed plans of correction;
- State monitoring;
- Directed in-service training;
- Denial of payment for all new Medicare and/or Medicaid admissions;
- Denial of payment for all Medicare and/or Medicaid residents by CMS;
- Per day civil money penalties;
- Per instance civil money penalties;
- Temporary trustee management;
- Termination of the provider agreement; and
- 30-day “out” period.

The LTCR Customer Services complaint hotline receives consumer/public complaints against nursing facilities. Complainants are provided a ticket number to use in tracking the progress of the investigation. Complaints and facility-reported incidents are investigated within timeframes ranging between 24-hours and 45-days, depending on the seriousness of the complaint or incident. The results of the investigations are shared with the complainants.

LTCR Assisted Living Facility Program:

The purpose of the assisted living facility regulatory program is to protect the health and safety of residents of such facilities.

Inspections are conducted annually to determine compliance with state and federal regulations, and to investigate reported complaints or incidents of abuse, neglect or exploitation.

Follow-up inspections are conducted when non-compliance is identified. The severity of the non-compliance determines the degree of these inspections.

Sanctions available to the agency to ensure compliance include:

- Denial an initial license or refusal to renew a license
- License suspension;
- Revocation of a license;
- Emergency suspension of a license or closing order;
- Referral to the Attorney General for civil penalties;
- Involuntary appointment of a trustee.

The LTCR Customer Services complaint hotline receives consumer/public complaints against assisted living facilities. Complainants are provided a ticket number to use in tracking the progress of the investigation. Complaints and facility-reported incidents are investigated within timeframes ranging between 24-hours and 45-days, depending on the seriousness of the complaint or incident. The results of the investigations are shared with the complainants.

LTCR Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC) Program:

LTCR regulates ICFs-MR/RC in order to protect the health, safety, and rights of the people who reside in such facilities. On-site inspections of facilities occur on at least an annual basis. Follow-up inspections are conducted when non-compliance is identified. The severity of the non-compliance determines the degree of these inspections.

Sanctions available to ensure facility compliance with state licensure requirements include:

- Administrative penalties;
- Denial of license or renewal of license;
- Exclusion from licensure;
- Suspension or revocation of a license;
- Emergency suspension of a license or closing order;
- Referral to the Attorney General for civil penalties; and
- Involuntary appointment of a trustee.

Sanctions available to ensure facility compliance with federal certification requirements include:

- State monitoring;
- Denial of payment by CMS;
- Termination of certification; and
- Oversight by the Department of Justice for civil rights violations.

The LTCR Customer Services complaint hotline receives consumer/public complaints against ICFs-MR/RC. Complainants are provided a ticket number to use in tracking the progress of the investigation. Complaints and facility-reported incidents are investigated within timeframes ranging between 24-hours and 45-days, depending on the seriousness of the complaint or incident. The results of the investigations are shared with the complainants.

LTCR Adult Day Care Facility Program:

LTCR regulates adult day care facilities in order to protect the health and safety of recipients of adult day care services.

Inspections are conducted annually to determine compliance with state and federal regulations, and to investigate reported complaints or incidents of abuse, neglect or exploitation.

Follow-up inspections are conducted when non-compliance is identified. The severity of the non-compliance determines the degree of these inspections.

Sanctions available to the agency to ensure facility compliance include:

- Denial of an initial license or refusal to renew a license;
- Non-emergency suspension of a license;
- Revocation of a license;
- Emergency suspension of a license or closing order.

The LTCR Customer Services complaint hotline receives consumer/public complaints against adult day care facilities. Complainants are provided a ticket number to use in tracking the progress of the investigation. Complaints and facility-reported incidents are investigated within timeframes ranging between 24-hours and 30 days, depending on the seriousness of the complaint or incident. The results of the investigations are shared with the complainants.

LTCR Home Community and Support Services Agencies (HCSSA) Program:

LTCR regulates HCSSAs to protect the health, safety, and rights of individuals who reside at home, in assisted living, or in other residential settings, who are served by home health, hospice, and personal assistance services agencies.

Inspections are conducted to determine compliance with state and federal regulations, and to investigate reported complaints or incidents of abuse, neglect or exploitation. On-site inspections of agencies are conducted within 18 months after a survey for an initial license; after that time, an on-site survey will be conducted at least every 36 months. In addition, DHS may survey at any time unannounced in order to investigate a complaint.

Follow-up activities are conducted when non-compliance is identified. The agency will receive an entrance and exit conference and, if non-compliance is noted, DHS will notify the agency in writing of the specific nature of the violation.

Sanctions available to ensure agency compliance include:

- Denial of a license;
- Suspension of a license;
- Revocation of a license; and
- Administrative penalties.

The Home Health Agency abuse reporting hotline receives consumer/public complaints against HCSSAs. Complainants are provided a ticket number to use in tracking the progress of the investigation. Complaints and facility-reported incidents are investigated within timeframes ranging between 2, 10, or 45 working days, or at the next on-site visit, depending on the seriousness of the complaint or incident. The results of the investigations are shared with the complainants.

N. Please fill in the following chart for each regulatory program. The chart headings may be changed if needed to better reflect the agency's practices.

Texas Department of Human Services Exhibit 14: Complaints Against Regulated Entities Nursing Facilities		
	FY 1999	FY 2000
Number of complaints received	17,090	17,855
Number of complaints resolved	12,102	13,658
Number of complaints dropped/found to be without merit	7,859	9,146
Number of sanctions	693	812
Number of complaints pending from prior years	340	830
Average time period for resolution of a complaint	18.20 days	20.79 days
Number of entities inspected or audited by the agency	1,341	1,293
Total number of entities regulated by the agency	1,300*	1,253*

Texas Department of Human Services Exhibit 14: Complaints Against Regulated Entities – Fiscal Years 1999 and 2000 Assisted Living Facilities		
	FY 1999	FY 2000
Number of complaints received	1,672	1,873
Number of complaints resolved	1,360	1,488
Number of complaints dropped/found to be without merit	940	1065
Number of sanctions	166	117
Number of complaints pending from prior years	79	156
Average time period for resolution of a complaint	20.67 days	30.59 days
Number of entities inspected or audited by the agency	1,330	1,363
Total number of entities regulated by the agency	1,166*	1,190*

* The total number of entities regulated by the agency fluctuates throughout the fiscal year as facilities open and close. The numbers provided for these charts are the total number of entities regulated by DHS-LTCR at the end of each fiscal year.

Texas Department of Human Services		
Exhibit 14: Complaints Against Regulated Entities – Fiscal Years 1999 and 2000		
Intermediate Care Facilities for the Mentally Retarded/Related Conditions (ICF-MR/RC)		
	FY 1999	FY 2000
Number of complaints received	2,916	3,875
Number of complaints resolved	1,163	1,773
Number of complaints dropped/found to be without merit	681	1,052
Number of sanctions	63	58
Number of complaints pending from prior years	31	87
Average time period for resolution of a complaint	7.89 days	12.53 days
Number of entities inspected or audited by the agency	914	916
Total number of entities regulated by the agency	916*	901*

Texas Department of Human Services		
Exhibit 14: Complaints Against Regulated Entities – Fiscal Years 1999 and 2000		
Adult Day Care Facilities		
	FY 1999	FY 2000
Number of complaints received	199	303
Number of complaints resolved	157	224
Number of complaints dropped/found to be without merit	115	178
Number of sanctions	7	8
Number of complaints pending from prior years	8	30
Average time period for resolution of a complaint	22.90 days	39.30 days
Number of entities inspected or audited by the agency	345	386
Total number of entities regulated by the agency	306*	361*

* The total number of entities regulated by the agency fluctuates throughout the fiscal year as facilities open and close. The numbers provided for these charts are the total number of entities regulated by DHS-LTCR at the **end of each fiscal year**.

Texas Department of Human Services		
Exhibit 14: Complaints Against Regulated Entities – Fiscal Years 1999 and 2000		
Home and Community Care Support Services Agencies (HCSSA)		
	FY 1999	FY 2000
Number of complaints received	1,626	1,528
Number of complaints resolved	1,601	1,241
Number of complaints dropped/found to be without merit	672	439
Number of sanctions	322	194
Number of complaints pending from prior years	25	138
Average time period for resolution of a complaint	41.8 days*	41.6 days*
Number of entities inspected or audited by the agency	2450	1746
Total number of entities regulated by the agency	3,253**	2,329**

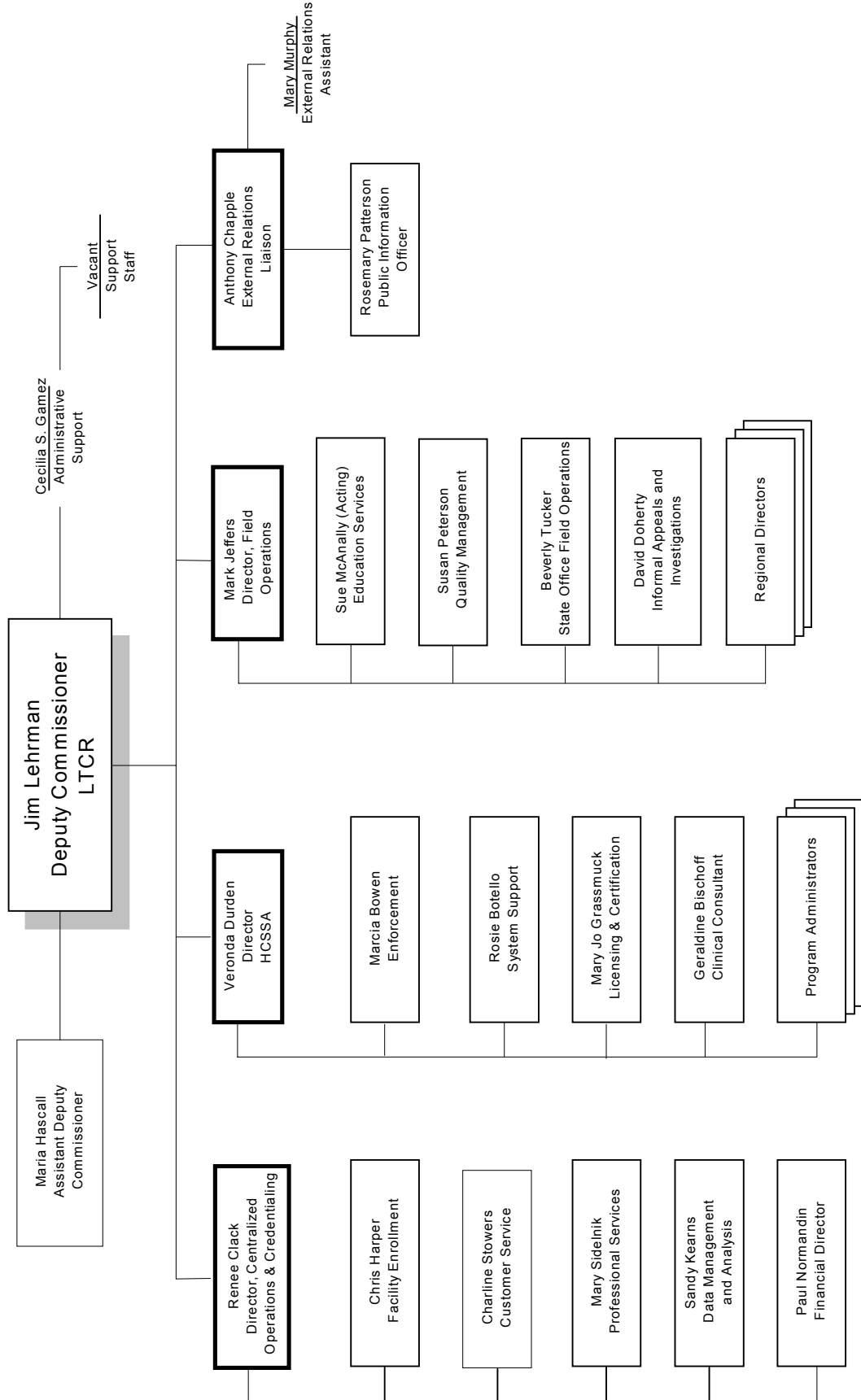
* HCSSA is required to investigate complaints according to timeframes based on the severity of the complaint/incident. These timeframes range from 24-hours to 120 days. The number provided is the average time it took to investigate complaints on all levels.

** The total number of entities regulated by the agency fluctuates throughout the fiscal year as facilities open and close. The numbers provided for these charts are the total number of entities regulated by DHS-LTCR at the end of each fiscal year.

LTCR STATE OFFICE

Organizational Chart

April 1, 2001



Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Long-Term Care Credentialing
Location/Division	Long-Term Care Regulatory
Contact Name	Jim Lehrman, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	29
Number of Actual FTEs as of August 31, 2000	28.13

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

Long-Term Care Credentialing Programs

- 1) Nursing Facility Administrator Licensing and Investigations
- 2) Medication Aide Permits
- 3) Nurse Aide Registry (NAR) and Nurse Aide Training and Competency Evaluation Program (NATCEP)
- 4) Employee Misconduct Registry (EMR)
- 5) Criminal History

Key Services and Functions

The Long-Term Care Credentialing Department regulates licensed and permitted personnel who work in Texas long-term care facilities/agencies.

The Credentialing Department licenses nursing facility administrators; provides a certificate of competency for nurse aides; permits medication aides; maintains the Nurse Aide and Employee Misconduct Registries; provides approval for educational and training programs; and conducts criminal history checks for approximately 5,000 LTC facilities and home health agencies.

Long-Term Care Credentialing Functions Included in All Credentialing Programs

- Working with other state, federal, provider, advocacy and private agencies for the development of educational and training curricula, competency examinations, and agency rules.
- Providing due process notification and considerations when adverse actions are being taken.
- Providing evidence and testimony in formal hearings.
- Interpreting federal/state regulations for agency staff and the public at large.
- Responding to open records requests and public inquiries.

Specific Program Functions

1. Nursing Facility Administrator (NFA) Licensing and Investigations Program

- Licensing activities including issuance, renewal, and revocation of licenses, and continuing education for nursing facility administrators (NFA).
- Investigating NFA complaints or referrals resulting from findings of substandard quality of care (SQC) and/or violations of the NFA standards of conduct.
- Imposing and monitoring sanctions.
- Providing quarterly training seminars for administrators in training (AIT).
- Coordinating program activities with the governor-appointed Nursing Facility Administrator Advisory Committee (NFAAC).

2. Medication Aide Program

- Permitting activities including issuance, renewal, and revocation of permits; and continuing education for medication aides.
- Imposing sanctions against an aide when acts of abuse, neglect, exploitation or misappropriation have been substantiated.
- Approving and monitoring 75 medication aide training programs in educational institutions.
- Coordinating and administering tests.

3. Nurse Aide Registry (NAR) and Nurse Aide Training and Competency Evaluation Program (NATCEP)

- Issuing a certificate of competency, reciprocity, and revocation of certificate.
- Entering negative registry findings for nurse aides as a result of substantiated acts of abuse, neglect, or misappropriation.
- Approving and/or renewing 800 Nurse Aide Training and Competency Evaluation Programs (NATCEPs).
- Withdrawing NATCEP approval as a result of Long-Term Care Regulatory (LTCR) survey/investigation findings.
- Maintaining the Nurse Aide Registry.

4. Employee Misconduct Registry (EMR)

- Entering negative findings on the Employee Misconduct Registry for uncredentialed employees who work in facilities licensed by DHS. Findings result when acts of abuse, neglect, exploitation, or misappropriation are substantiated by Long-Term Care Regulatory (LTCR) surveyors or by credentialing investigators.
- Maintaining the Employee Misconduct Registry.

5. Criminal History Program

- Processes criminal history requests from approximately 5,000 long-term care facilities and home health agencies for the purpose of checking the employability of unlicensed employees.
- Section 250.003, Texas Health and Safety Code enumerates offenses, which bar persons from employment in Texas long-term care facilities.
- Approximately 380,000 criminal history checks are conducted annually.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

Creation of the Long-Term Care Credentialing Department:

Effective May 1, 1997, the Credentialing Department was transferred from the Long-Term Care regulatory (LTCR) division of DHS to the Office of Program Integrity division as a result of an agency reorganization.

SB 84, 75th Texas Legislature, transferred the TDH Texas Board of Nursing Facility Administrators (TBNFA) to DHS, Office of Program Integrity (OPI), effective September 1, 1997.

The former Texas Board of Nursing Facility Administrators (TBNFA) became the Nursing Facility Administrator Advisory Committee (NFAAC). NFAAC currently advises and recommends sanctions and rule changes to DHS.

The Nursing Facility Administrator (NFA) Licensing & Investigations Program, placed under Long-Term Care Credentialing, became the licensing authority for nursing facility administrators.

Expansion of Long-Term Care Credentialing's Functions

SB 967, 76th Texas Legislature, created the Employee Misconduct Registry (EMR) in an effort to capture negative findings against unlicensed direct care personnel. Effective September 1, 1999, the EMR program was placed under the Credentialing Department.

SB 96, 76th Texas Legislature, transferred the Home and Community Support Services Agencies (HCSSA) licensure, certification, and regulatory activities from TDH to DHS. The HCSSA licensure, certification, and regulatory functions were placed under the Long-Term Care Regulatory (LTCR) division, but the HCSSA function of conducting criminal history checks for home health agencies, was transferred to the Long-Term Care Credentialing Department's criminal history program.

Specific Program History

Nursing Facility Administrator (NFA) Licensing & Investigations Program

The NFA licensing and investigations program was created by the Omnibus Budget Reconciliation Act of 1987, and Acts 1989, 71st Texas Legislature, Chapter 678, § 1.

On September 1, 1997, NFA licensure and investigations functions was transferred to DHS from TDH by Acts 1997, 75th Texas Legislature, Chapter 1280, § 2.01.

The nursing facility administrator licensing and investigations program was created to ensure the competency of nursing facility administrators entrusted with the health and safety of Texas residents.

At the federal level, statutory basis includes 42 Code of Federal Regulations §§488.325(h)(2) and 488.335(f)(4); and Social Security Act, §§1819(g)(5)(C)(ii) and 1919(g)(5)(C)(ii).

Regulatory basis includes Chapter 242, Subchapter I of the Texas Health and Safety Code; 40 Texas Administrative Code, §18 Nursing Facility Administrator Rules and §19.2009 Nursing Facility Requirements for Licensure and Medicaid Certification.

Medication Aide Program

The Medication Aide Program was created by the Omnibus Budget Reconciliation Act of 1987 and Acts 1989, 71st Texas Legislature, Chapter 678.

The program was transferred to DHS from TDH in 1993. The Medication Aide program permits medication aides to work in long-term care facilities, home health agencies, and criminal justice institutions.

Statutory basis includes Chapter 242, Subchapter N of the Texas Health and Safety Code.

Regulatory basis includes Title 40 Texas Administrative Code, §95 Medication Aide Program Rules.

Nurse Aide Registry (NAR) and Nurse Aide Training and Competency Evaluation Program (NATCEP)

The NAR and NATCEP were created by the Omnibus Budget Reconciliation Act of 1987 and Acts 1989, 71st Texas Legislature, Chapter 678.

In 1993, the NAR and NATCEP transferred to DHS from the Texas Department of Health (TDH) in 1993.

The Nurse Aide Training and Competency Evaluation Program (NATCEP) provides a certificate of competency for nurse aides and a registry (the Nurse Aide Registry) for nursing facility providers to inquire with to ensure that nurse aides who commit acts of abuse, neglect, or misappropriation against residents are denied employment with the facilities..

Statutory basis is included in 42 Code of Federal Regulations, §483.156 and §488.335; Texas Human Resource Code, Title 2, §§22.001-22.030 and §§32.001-32.042; Texas Health and Safety Code, §242; Texas Government Code 2001.054; 40 Texas Administrative Code, §19.2009 Nursing Facility Requirements for Licensure and Medicaid Certification; §§79.1601-1613 Legal Services and §94.11 Licensing Standards for Nurse Aides.

Employee Misconduct Registry (EMR):

The EMR was created by SB 967, 76th Texas Legislature and by Acts 1999, 76th Texas Legislature, Chapter 629, § 2, effective Sept. 1, 1999.

The registry is a resource for long-term care and home and community support services agency (HCSSA) providers to inquire with to ensure that unlicensed or uncredentialed personnel who commit acts of abuse, neglect, exploitation, or misappropriation against residents and consumers are not employed in DHS-regulated facilities and agencies.

Statutory basis includes Chapter 253 of the Texas Health and Safety Code, and 40 Texas Administrative Code, §93 Employee Misconduct Registry Rules.

Criminal History Program:

Acts passed in 1993, 73rd Texas Legislature, Chapter 747 transferred the criminal history program from the TDH to DHS.

The criminal history program conducts criminal history background checks on unlicensed individuals employed by long-term care facilities and home health agencies for the purpose of employability.

Statutory basis includes Chapter 250 of the Texas Health and Safety Code, and 40 Texas Administrative

Code, §76 Criminal History Rules.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

As a result of recent legislation and departmental reorganization, significant changes will be made to the Credentialing Department in FY 2002.

Removal of Criminal History Program

SB 1245, 77th Texas Legislature, amended Chapter 250 of the Texas Health and Safety Code to require all long-term care facilities and home health agencies to obtain criminal history checks directly from DPS or a private entity. The intent of this legislation is to expedite the timeframe for facilities/agencies to obtain criminal history background checks by encouraging them to obtain checks directly from DPS' secured web site. Effective September 1, 2001 the Credentialing Department will no longer be providing long-term care facilities and home health agencies with criminal history background information.

Expansion of the Employee Misconduct Registry (EMR)

SB 1245, 77th Texas Legislature, expanded the scope of the EMR by amending Chapter 253 of the Texas Health and Safety Code to require home health agencies to abide by the EMR requirements. Therefore, effective January 1, 2002, all home health agencies will have to check the EMR prior to hiring unlicensed or uncredentialed personnel to ensure that the applicant does not have a finding of abuse, neglect, exploitation, or misappropriation against them.

Transfer of the Credentialing Department to the LTCR Division

Effective July 1, 2001, the Credentialing Department was transferred from the Office of Program Integrity (OPI) division to the Long-Term Care Regulatory (LTCR) division in order to expedite and consolidate business processes such as policy, education, training, and automation.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

The Credentialing Department serves the following number of entities:

- 2,500 licensed nursing facility administrators;
- 100,000 active, certified nurse aides;
- 7,500 permitted medication aides;
- Approximately 5,000 long-term care facilities and home health agencies (by providing employee information via registries and criminal history background checks);
- 75 medication aide training programs in private institutions; and
- Approximately 800 Nurse Aide Training and Competency Evaluation Programs (NATCEPs) in nursing facilities and educational institutions.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

See organizational chart at the end of this section and Appendix C.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

Office of the Attorney General (OAG) – The Credentialing Department and OAG exchange file lists of nursing facility administrators for data matches for child support default purposes and case information on nursing facility administrators, medication aides, and nurse aides to assist in litigation.

Texas Guaranteed Student Loan Corporation (TGSLC) – Credentialing and TGSLC exchange file lists of nursing facility administrators and medication aides for data matches for student loan default purposes.

Texas Department of Protective and Regulatory Services (PRS) – PRS will provide Credentialing with home health personnel referrals to the EMR effective January 1, 2002.

Board of Nurse Examiners (BNE) – Credentialing coordinates with the BNE for the development of training curricula for nurse and medication aides.

Texas Department of Public Safety (TDPS) – Credentialing obtains criminal history background checks from DPS for long-term care facilities and home health agencies.

Texas Workforce Commission (TWC) - Credentialing coordinates with the TWC for the development of training programs for nurse aides.

Texas Higher Education Coordinating Board (THECB) - Credentialing coordinates with the THECB for the development of academic nursing facility administrator programs in colleges/universities, administrators-in-training (A-I-T) curricula and rules.

Office of the Governor – Appoints Nursing Facility Administrator Advisory Committee (NFAAC) members.

Centers for Medicare and Medicaid Services (CMS), U.S. Dept. of Health and Human Services (formerly HCFA) – Credentialing coordinates with CMS for Nurse Aide Training and Competency Evaluation Program (NATCEP) withdrawal, reinstatement, and appeals. The Credentialing Department also consults with CMS with regard to training issues relating to nurse aides and implementation of federal policies and rules.

Health Resources and Services Administration (HRSA), U.S. Dept. of Health and Human Services – Credentialing enters all adverse actions taken against persons into the federally mandated Healthcare Integrity and Protection Data Bank (HIPDB) and responds to disputes of information submitted.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$367,317
General Revenue-HCSSA.....	\$211,587
General Revenue-Medicaid.....	\$157,586
Federal Funds:	
Title XIX Administration - 50/50.....	\$120,449
Title XVIII - State Survey and Certification.....	\$167,431
State Survey and Certification - 50/50.....	\$6,018
State Survey and Certification - 75/25.....	\$93,791
Other Funds:	
Appropriated Receipts.....	\$89,645
Total.....	\$1,213,824

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

Removal of the Criminal History program, pursuant to SB 1245, 77th Texas Legislature, will cause a reduction of \$896,962 in total funds and 3 FTEs during the coming biennium. This will not, however, impede the program’s ability to carry out its remaining mission, goals, objectives, and performance targets.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

Presently, there are no other programs in the agency or in any other state agency that license, permit, or provide a certificate of competency to nursing facility administrators, medication aides, or nurse aides; nor are there any other registries in existence in the state of Texas that duplicate the functions of the Employee Misconduct or Nurse Aide Registries.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency’s customers.

N/A

L. Please provide any additional information needed to gain a preliminary understanding of the program.

Further program information and rules can be found at the Credentialing Department’s web site at: <http://www.dhs.state.tx.us/programs/credentialing/>.

M. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. If this is a regulatory program, please describe:

- why the regulation is needed;
- the scope of, and procedures for, inspections or audits of regulated entities;
- follow-up activities conducted when non-compliance is identified;
- sanctions available to the agency to ensure compliance; and
- procedures for handling consumer/public complaints against regulated entities.

- 1) These programs are needed to protect the health and safety of Texas residents and consumers in long-term care facilities and home health agencies by ensuring the competency of nursing facility administrators (NFA), medication aides, nurse aides, and unlicensed direct care staff.
- 2) Long-Term Care Regulatory (LTCR) surveys and investigates complaints in nursing, assisted living, adult day care, and ICF-MR/RC facilities. If during a survey or investigation, LTCR identifies substandard quality of care and/or determines that a nursing facility administrator, medication aide, nurse aide, or unlicensed or uncredentialed staff person committed an act of abuse, neglect, exploitation, or misappropriation against a resident/consumer or violated a standard of conduct, a referral is made to the Credentialing Department for the review of the license, permit, or certificate. A review of case findings for possible entry into the Nurse Aide or Employee Misconduct Registry is also completed. LTCR also conducts surveys of NATCEP programs and makes similar referrals when necessary.
- 3) The applicable Credentialing Department program receives the referral. Depending upon the type of referral, the department conducts a subsequent investigation, presents the case to the NFAAC for recommendation of sanctions, and provides full due process notification and considerations before proceeding with any adverse action. In addition, the department returns all criminal history “hits” to facilities and agencies.
- 4) Sanctions available to the Credentialing Department include:

Nursing Facility Administrators

- Letter of Reprimand;
- Continuing education;
- Probation;
- Administrative penalty; and
- Suspension or revocation of a license, or denial of a renewal.

Medication Aide

- Revocation of permit; and
- Placement of name on Registry as unemployable by any long-term care facility/agency regulated by DHS.

Nurse Aide

- Revocation of permit;
- Placement of name on the Nurse Aide Registry as unemployable in any nursing facility regulated by DHS.

Unlicensed/Uncredentialed Personnel

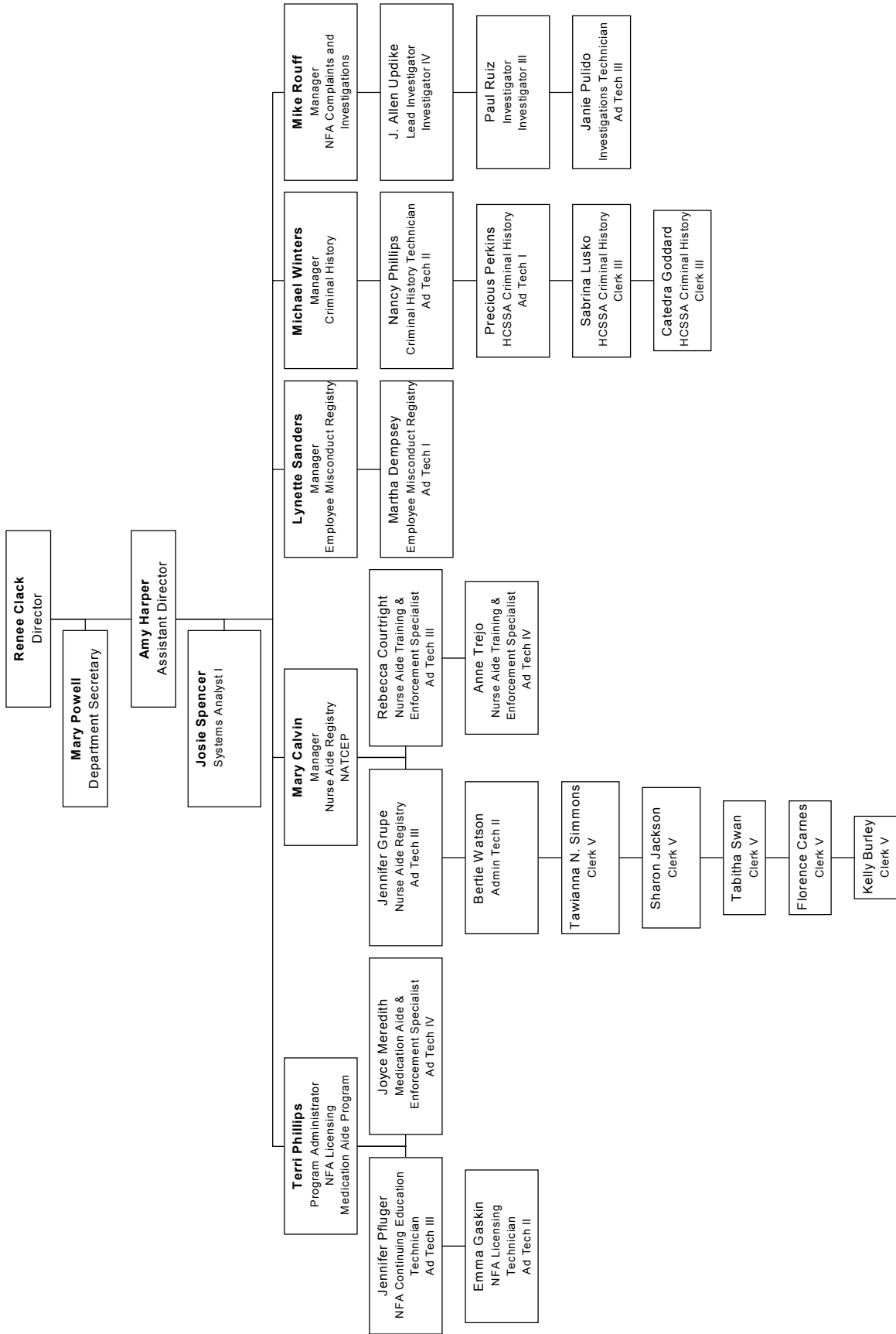
- Placement of name on the Employee Misconduct Registry as unemployable in any long-term care facility/agency regulated by DHS

NATCEP or Medication Aide training programs

- Withdrawal of program approval (loss of program.)

- 5) Complaints made against nursing facility administrators are investigated by the Credentialing Department. Complaints against medication and nurse aides or unlicensed/uncredentialed personnel are investigated by Long-Term Care Regulatory (LTCR).

Credentialing Department



Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Long-Term Care Quality Outreach
Location/Division	Office of Programs
Contact Name	Jackie Johnson, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	0
Number of Actual FTEs as of August 31, 2000	0

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

The purpose of this program will be to assist Medicaid-contracted providers of nursing facility, assisted living and ICF/MR services in improving the quality of resident care.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

This program was created through the provisions of SB 1839 of the 77th Legislature that calls for the creation of a program independent of the department’s regulatory role, to act as a monitor of quality of care. Two activities are delineated in SB 1839; the first is a consultative Quality Monitoring function, and the second is a Rapid Response Team function. The former is a routine function whereas the latter is triggered by provider performance patterns that suggest a higher risk of adverse resident outcomes.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

Since this program has not yet begun, it has not undergone any evolution. It is the department’s intent that it will evolve and that such changes will be guided, by if not based primarily on, measurable statewide changes in provider performance. The only likely scenarios that would eliminate the need for this program would be a major shift in health care technology (eliminating the need for the services of institutional long-term care providers) or a shift in health care funding (eliminating the financing of long-term care services through Medicaid).

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

Medicaid recipients in approximately 1,000 nursing facilities number some 65,000 individuals. A smaller number of persons reside in some 270 Medicaid-contract assisted living facilities. Although there are a large number of ICF/MR facilities, it is the larger facilities that have had the most apparent performance problems, and they number fewer than 40. In order to make the greatest impact with the number of staff anticipated for this program, the focus will be on the 1,420 providers of Medicaid-contracted LTC services and their residents.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

The program is still in its design phase and staff are being hired. The proposed operational structure consists of three functions: nurse monitors, pharmacist monitors, and nutritionist monitors. Nurses comprise the largest component and are organized as three teams of ten monitors who will be responsible for providing monitoring in three or more regions. Their supervisors are nurses and all will be organized under the Medical Quality Assurance (MQA) section of the Office of Programs. There are eight pharmacist positions supervised by a research pharmacist also in MQA. Up to seven nutritionist positions may also be part of the program. All but four positions are field positions. The anticipated date for having a core team is October 2001. The core team will hire and train the field staff, and the first quarter of calendar year 2002 is a realistic target date for beginning provider-monitoring operations.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

None.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

A portion of the \$5,000,000 identified as the Quality Outreach program in the Appropriations bill will fund this activity. The remainder will fund provider relations and training activities that will remain in the Long-Term Care Regulatory area.

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

Since the underlying philosophy of quality improvement through provider assistance is untested, it is not possible to assure at this time that the program can achieve its goals, regardless of funding level. However, after a two-year trial of this innovative concept, an assessment of its effectiveness will be done.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

The department has no other internal service or function that is similar. However there are multiple functions that all further the goal of improving the quality of resident care. Those include provider Regulation (Licensing and Certification), Quality Reporting, Statewide Quality Review, and now the Quality Monitoring program.

External to the agency, providers can and do avail themselves of training seminars offered by educational institutions, agencies such as DHS and their own provider associations. The same is true of quality monitoring as a provider assistance strategy since providers have private consultants from whom to obtain qualitatively similar services.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

The primary potential for conflict is with the department's regulatory function. In order to prevent this conflict, it is our intent to define the scope of quality monitoring in a manner that is complimentary and non-overlapping with the regulatory activity. Just as surveyors may not, as a part of their certification function, provide facility consultation, quality monitors will not provide official interpretation of state or federal regulations. They will use evidence-based best practices as the basis for their recommendations.

L. Please provide any additional information needed to gain a preliminary understanding of the program.

Many details of this program remain to be defined. The planned implementation model borrows some organizational features from the Florida model of quality monitoring, adds features of the Washington state (problem-focused, protocol-based review), and leverages the department's existing LTC quality-improvement assets (the Quality Reporting System and the Statewide Quality Review process) in order to quickly achieve a working Early Warning System and utilize existing (program) performance measurement tools to assess the new program's effectiveness.

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	TANF Grants
Location/Division	Office of Programs
Contact Name	Jackie Johnson, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	0
Number of Actual FTEs as of August 31, 2000	0

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

TANF Cash Assistance: Provides temporary cash assistance to families with needy children who are deprived of support because of the absence, disability or unemployment of one or both parents.

TANF Unemployed Parent (AFDC-UP): Covers children in two-parent households whose parents meet the income and resource guidelines for the program, and in which the principal wage earner is unemployed or under-employed. Effective November 1, 2001, a new TANF state program will replace the current TANF Unemployed Parent Program.

One-Time TANF: Provides emergency cash assistance for families in crisis who do not currently receive TANF but are otherwise eligible.

One-Time TANF for Grandparents: Provides a one-time, lifetime payment of \$1,000 to a grandparent caring for a TANF certified grandchild. Effective September 1, 2001 grandparents must meet the following criteria: 45 years of age or older, caretaker of a TANF certified child (child's parent is not in the home), family gross income less than or equal to 200% of Federal Poverty Income Limits (FPIL), and resources less than or equal to TANF resource limit.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

The Temporary Assistance for Needy Families (TANF) program, formerly known as Aid to Families with Dependent Children (AFDC), originated in the 1935 Social Security Act that provided federal funds under Title IV of the Act to match state funds. The purpose of the program is to provide financial and medical assistance to needy dependent children and the parents or relatives with whom they are living. Eligible TANF households receive monthly cash and Medicaid benefits.

The Federal portion of program funds were block granted to states as a result of federal welfare reform signed into law on August 22, 1996. This law now refers to programs funded under Title IV as TANF. The Texas Legislature determines the amount of state money appropriated to the TANF Program. The DHS then determines the maximum grant amount for each family size. In December 1996, there were 618,431 TANF recipients in Texas (54,423 of that number were TANF-UP recipients).

Beginning in May 1996, Texas began implementing its own plans for welfare reform under a federal waiver that has been continued even after federal welfare reform. As a result of federal requirements for evaluating the waiver, Texas maintains several control groups around the State in which eligibility and

benefits are still determined based on policies in effect prior to the waiver. The waiver expires March 2002.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

It is unlikely that there will be a time when the program will no longer be needed.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

TANF is the only program in the state which provides financial assistance to low income families with needy children who are deprived of support because of the absence, disability, unemployment or underemployment of one or both parents. Family income and resources cannot exceed specified levels, and age, citizenship, relationship and residence requirements must be met. TANF parents must meet conditions of a responsibility agreement which requires that parents pursue employment, get children immunized against childhood diseases, provide full cooperation in getting support payments from absent parents, provide evidence that children are attending school, and satisfy other provisions associated with being a responsible parent. TANF clients receive benefits for one year, two years, or three years depending on work experience and education level, to the extent that Choices services can be provided by the Texas Workforce Commission (TWC).

In 1996, DHS began implementing a change in agency culture. Each region developed plans for moving forward with the cultural change including setting up employment resource centers, posting want ads, displaying work message posters and banners, providing computer access to job banks, providing assistance with resumes and job applications, promoting professional appearance, creating a renewed awareness among staff of client's abilities to find work and expanding the view of the advisor job to include coach and consultant.

Legal Base: Social Security Act, Title IV-A; 42 USCA 601 et seq; Human Resource Code Chap 31.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

See organizational chart at the end of this section.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The state office staff work with the United States Department of Health and Human Services, and the Administration for Children and Families.

DHS has an MOU with the TWC and coordinates with local workforce boards.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
TANF-Maintenance Of Effort.....	\$125,529,073
Earned Federal Funds.....	\$72,000
Federal Funds:	
TANF.....	\$134,553,543
Other Federal.....	\$49,195
Other Funds:	
Interagency Contracts.....	\$1,896,075
Total.....	\$262,099,886

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

The state Legislature establishes the funding level for the TANF program.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

The Refugee Cash Assistance Program provides cash grants to refugees for the first eight months after arrival in the United States. See Refugee Resettlement Program.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

N/A

L. Please provide any additional information needed to gain a preliminary understanding of the program.

See Appendix D.

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	CSS Eligibility & Issuance
Location/Division	Office of Programs
Contact Name	Jackie Johnson, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	9,528
Number of Actual FTEs as of August 31, 2000	9,239.46

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

Staff determine initial and continuing eligibility and the benefit amounts for applicants of TANF, Food Stamps, and medical services for low income children, pregnant women and medically needy individuals. Eligibility decisions on new applicants for TANF must be made within 45 days of application. Applicants who qualify for expedited food stamp benefits must receive benefits within one day. All eligible food stamp applicants must receive benefits within 30 days. Eligibility decisions for new Medicaid applications must be made and applicants notified within 45 days of application. TANF cases must be reviewed every six months and food stamp cases are reviewed between one and 12 months depending on the households' stability.

Support staff include supervisors, clerks, trainers, quality and performance reviewers, fraud investigators and registered nurses. Additional support activities include policy development and interpretation, maintenance and analysis of data files, responses to state and federal officials, program evaluations, development of pilot or special projects such as the agency's EBT program and finger imaging pilot project which are described in the Special Projects section.

Food Stamp Program: A federally funded program that provides low-income households with assistance in purchasing food from local retailers.

Medicaid for Families and Children: Pregnant women who are at or below 185% of the federal poverty level are eligible for coverage during pregnancy and for two months following birth. Children born to Medicaid eligible mothers are covered up to one year after birth provided they remain with the mother. Other children who meet the required poverty income levels ranging from 100% to 185% may also be eligible.

Medically Needy Program: This program is available to children and pregnant women whose family income exceeds requirements for the Medicaid for Families and Children Program. Families with high medical expenses may become eligible for Medicaid after they "spend down" their income for medical expenses and who then meet income criteria equating to approximately 25% of the federal poverty level.

Children's Health Insurance Program (CHIP): This program provides Medicaid benefits for low-income children not eligible for Title XIX benefits. When families apply for Title XIX, and are not eligible, but do meet the CHIP eligibility criteria, DHS staff notify the CHIP administrator. The CHIP administrator mails the appropriate enrollment forms to the family.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

Texas Works eligibility encompasses all aspects of program administration from offering an opportunity for self-sufficiency to interviewing applicants and sending benefits to eligible families. It includes caseworkers in approximately 460 offices, as well as supervisory staff, performance monitoring staff, receptionists and clerical support staff, and administrative staff who manage the program and provide support from the administrative headquarters in Austin.

Legal Basis:

TANF: 45 CFR and PL 104-193 (PRWORA 1997); Human Resources Code, Chapter 31.

Food Stamps: 7 USCA 2011 et seq.; Human Resources Code, Chapters 22, 31, 3.

Medicaid: 42 USCA 1396 et seq. Titles IV and XIX of the Social Security Act; Section 6(d) of the Food Stamp Act; Human Resources Code, Chapters 22, 31, 32, 34 and 44.

The Balanced Budget Act of 1997 (BBA), PL 105-33, as amended by recent technical amendments (PL 105-100 signed into law on November 19, 1997), established the Children's Health Insurance Program (CHIP) under Title XXI of the Social Security Act.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

It is unlikely there will be a time when the program will no longer be needed.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

Food Stamp Program Eligibility Criteria

Citizenship

- U.S citizens or legally admitted aliens who meet additional eligibility requirements.

Income

- Household gross income must be less than 130 percent of the Federal Poverty Income Guidelines; the household's net income (income after deductions) must be less than 100 percent of the Federal Poverty Income Guidelines.
- Households with at least one member who is age 60 or older or disabled are exempt from the gross income test.
- Households in which all members are approved for TANF, TANF non-cash assistance, or SSI are considered categorically eligible, and are therefore not subject to the gross/net income tests or resource limits.

Resources

- Household resources must be less than \$2,000, unless the household contains a member age 60 or older, in which case the limit is \$3,000.
- Exempt resources include one home and surrounding property, income- producing property, and personal effects (such as clothing, jewelry, furniture, and other household goods.)

Residence

- Generally, applicants must apply in the county where they reside.

Social Security Number

- Each household member must have or apply for a Social Security number.

Work Requirements

- All adults ages 18-50 not working 20 hours per week or meeting other work requirements are limited to three months of food stamp benefits in a three-year period, unless they are: (1) responsible for the care of a dependent child under age 18, (2) exempt from the Employment and Training (E&T) program, (3) live in a county where this policy was waived due to a high unemployment rate, or (4) live in a county designated by TWC as a non-E&T county.

Medical Programs for Families and Children Eligibility Criteria

Pregnant women

- Texas resident.
- U.S. citizen or legally admitted alien to receive full benefits (limited Medicaid coverage for emergency medical services is available to people who do not meet these citizenship requirements).
- All applicants (except undocumented aliens) must provide a Social Security number or apply for one through the Social Security Administration.
- Income must be below 185 percent of the federal poverty level.
- Once established, eligibility continues through the second month after the pregnancy terminates, regardless of income increases.
- No resource eligibility limit.

Children

- Texas resident.
- U.S. citizen or legally admitted alien to receive full benefits (limited Medicaid coverage of emergency medical services is available to people who do not meet these citizenship requirements).
- Under age 19.
- Children born to Medicaid-eligible mothers are automatically Medicaid-eligible from birth through the month of their first birthday, as long as they continue to live with their mother in Texas and the mother would continue to be Medicaid-eligible if she were still pregnant.
- Income eligibility limit for children under age 1 is 185 percent of the federal poverty level; income eligibility limit for children ages 1 to 6 is 133 percent of the federal poverty level; income eligibility limit for children ages 6 through 18 is 100 percent of the federal poverty level.
- Resource eligibility limit for poverty-level children is \$2,000.

Medically Needy

- Texas resident.
- U.S. citizen or legally admitted alien to receive full benefits (may receive limited coverage of emergency medical services if they do not meet the citizenship requirements).
- Children must be under age 19 and live with parents or relatives of required relationship.
- Caretakers must cooperate with child-support and medical expenses recovery activities described for TANF parents.

- Children and pregnant women whose family income exceeds the limits listed above, as well as caretakers and second parents of deprived children whose family income exceeds the TANF limits.
- Families with incurred medical expenses may "spend down" their excess income to be below the Medically Needy income limits (approximately 24 percent of the federal poverty level) in order to become Medicaid-eligible.
- Resource eligibility limit is \$2,000 or \$3,000 in a household with an elderly or disabled member.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

See organizational chart at the end of this section.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

United States Department of Agriculture (USDA) – Food Stamps

United States Department of Health and Human Services – Medicaid & TANF

Internal Revenue Services (IRS) – DHS has a contract with the IRS to receive tax data regarding income reported to IRS on DHS clients.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$1,949,374
General Revenue-Food Stamps.....	\$56,299,784
General Revenue-Tobacco.....	\$2,381,877
General Revenue-Medicaid.....	\$48,355,882
Earned Federal Funds.....	\$44,512,736
Federal Funds:	
TANF.....	\$46,258,033
Title XIX Administration - 50/50.....	\$49,394,329
Food Stamps - 50/50.....	\$108,400,862
Title XXI (Child Health Insurance Program) - CHIP.....	\$6,737,732
Other Federal.....	\$1,099,563
Other Funds:	
Appropriated Receipts.....	\$4,077,645
Total.....	\$369,467,817

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

The Legislature establishes the funding level. Simplified Medicaid eligibility for children and simplified Food Stamp eligibility for the elderly and disabled will reduce the workload in this strategy. The department will reduce staffing levels in this strategy by approximately 450 positions through attrition in FY 2002.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

WIC – Women, Infant and Children – administered by the Texas Department of Health, provides nutritional assistance to pregnant and postpartum women as well as newborns and young children residing in families with income under 185% of FPIL.

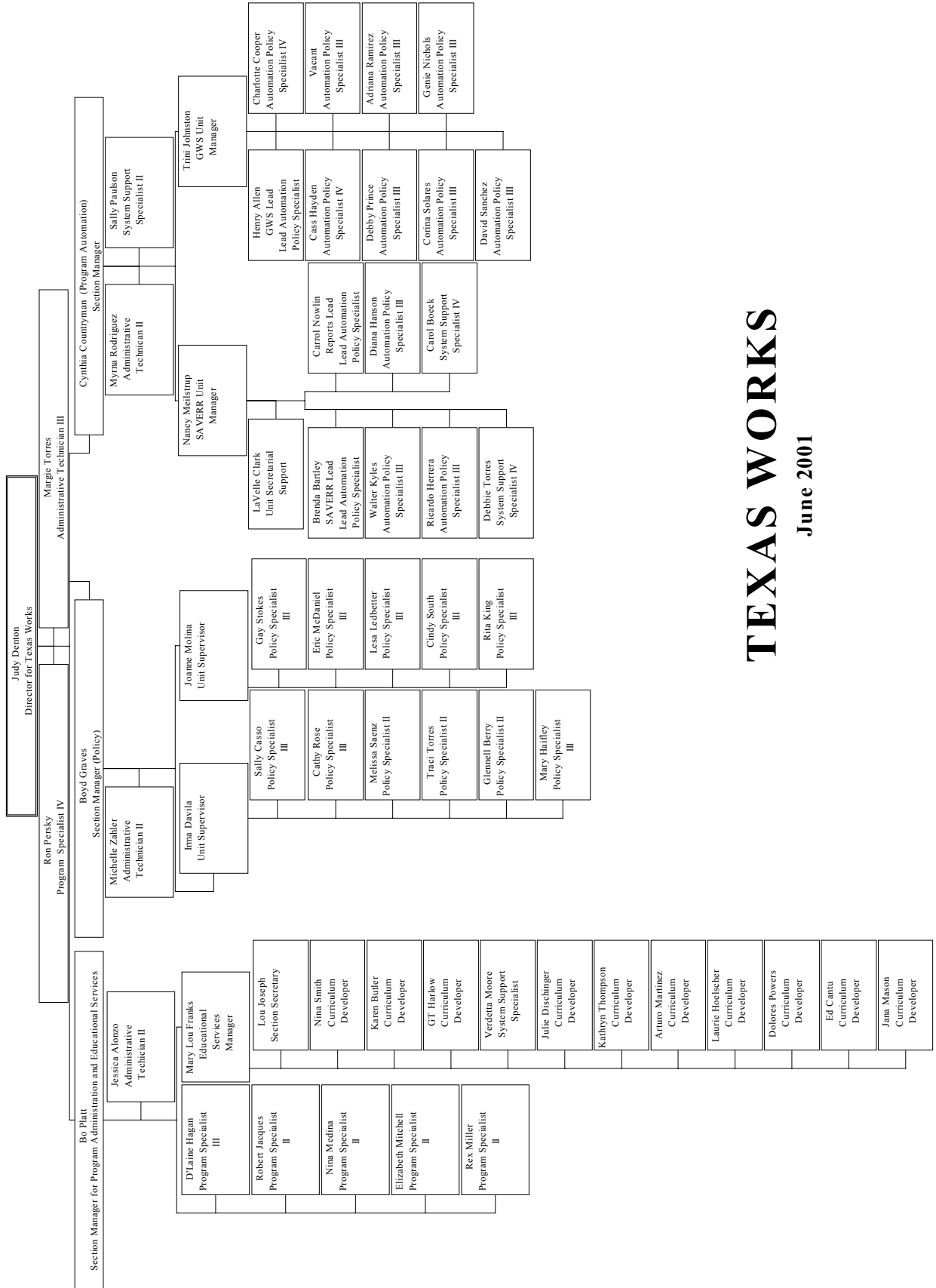
SNP- Special Nutrition Programs – administered by DHS, supplements and improves the nutrition of low-income children and adults. See Nutrition Assistance.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

Federal laws and regulations allow participation in all programs.

L. Please provide any additional information needed to gain a preliminary understanding of the program.

See Appendix D.



TEXAS WORKS

June 2001

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Nutrition Assistance
Location/Division	Office of Programs
Contact Name	Jackie Johnson, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	118
Number of Actual FTEs as of August 31, 2000	117.12

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

Child and Adult Nutrition Programs: Provides cash reimbursement for meals meeting United States Department of Agriculture (USDA) standards served to children in child care facilities, private schools, and residential child-care institutions; and to functionally impaired adults or people in adult day-care centers who are age 60 or older receiving services. Programs include the Child and Adult Care Food Program, the National School Lunch/School Breakfast Programs, Summer Food Service Program and the Special Milk Program.

Food Distribution: Includes the Food Distribution Program, The Emergency Food Assistance Program (TEFAP) and the Community Supplemental Food Program (CSFP). These programs provide USDA donated commodities to low income individuals and families, public and private schools, summer food service programs, summer camps and charitable institutions including jails, hospitals and soup kitchens. Food in the TEFAP program (operated as the Texas Community Assistance Program or TEXCAP), is distributed through contracts with public or private nonprofit, tax-exempt agencies for use in providing meals to homeless people or to other low income and unemployed households.

Nutrition Education and Training: Provides education and training to children, parents, educators and food service personnel in schools and child care facilities to promote healthy eating habits of Texas children.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

The programs are regulated by the Agricultural Act of 1949, Section 416, National School Lunch Act of 1949 as amended; Child Nutrition Act of 1966, as amended; Emergency Food Assistance Act of 1983; Hunger Prevention Act of 1988; Agriculture and Consumer Protection Act of 1973, as amended; Human Resource Code, Chapter 22 and 33.

Special Nutrition Programs (SNP) seek to supplement and improve the nutrition of children and adults whose income is insufficient to purchase adequate and healthful food. This strategy augments the statewide mission to protect and enhance the health, well being, and productivity of all Texans. In May of 1999, SNP added the Commodity Supplemental Food Program (CSFP) to its array of programs dedicated to alleviating hunger among Texans. The efforts of SNP contribute directly to ensuring Texas will receive its fair share of federal dollars used to fund these health and human service programs. Funding and commodities are provided by the U.S. Department of Agriculture (USDA), except for TEXCAP, which receives equal funding from the state and federal governments to cover administrative

costs for state agency staff. In addition, the 76th Texas Legislature authorized the expenditure of state funds for fiscal years 2000 and 2001 to supplement federal funding received to operate the Summer Food Service Program; DHS received the enhanced funding from USDA due to improved management of the Food Stamp Program.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

N/A

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

See Appendix E.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

See organizational chart at the end of this section.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

United States Department of Agriculture (USDA) – USDA provides communities the financial assistance to support the child and adult nutrition and food distribution programs administered by DHS under a state and federal agreement.

Texas Education Agency (TEA) – TEA operates the National School Lunch/Breakfast Program for public schools. DHS operates these programs for private and non-profit schools. TEA and DHS exchange participant eligibility and demographic information through a series of MOUs and agreements.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$128,437
Earned Federal Funds.....	\$696,141
Federal Funds:	
School Breakfast Program.....	\$5,226,958
National School Lunch Program.....	\$9,938,393
Special Milk Program for Children.....	\$96,273
Child and Adult Care Food Program.....	\$124,007,887
Summer Food Service Program for Children.....	\$20,177,844
State Administrative Expenses for Child Nutrition.....	\$2,832,432
Nutrition Education and Training Program.....	\$4,429
Emergency Food Assistance Program.....	\$3,715,004
Commodity Supplemental Food Program.....	\$126,129
Other Funds:	
Appropriated Receipts.....	\$376,640
Total.....	\$167,326,567

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

The U.S. Congress establishes the funding level.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

The Food Stamp program provides nutrition assistance to low income families in the form of food stamps that can be redeemed for food at retail grocery stores.

The Women, Infants, and Children (WIC) program provides nutritional assistance to low income pregnant and postpartum women and children in the form of food vouchers to be redeemed at retail grocery stores.

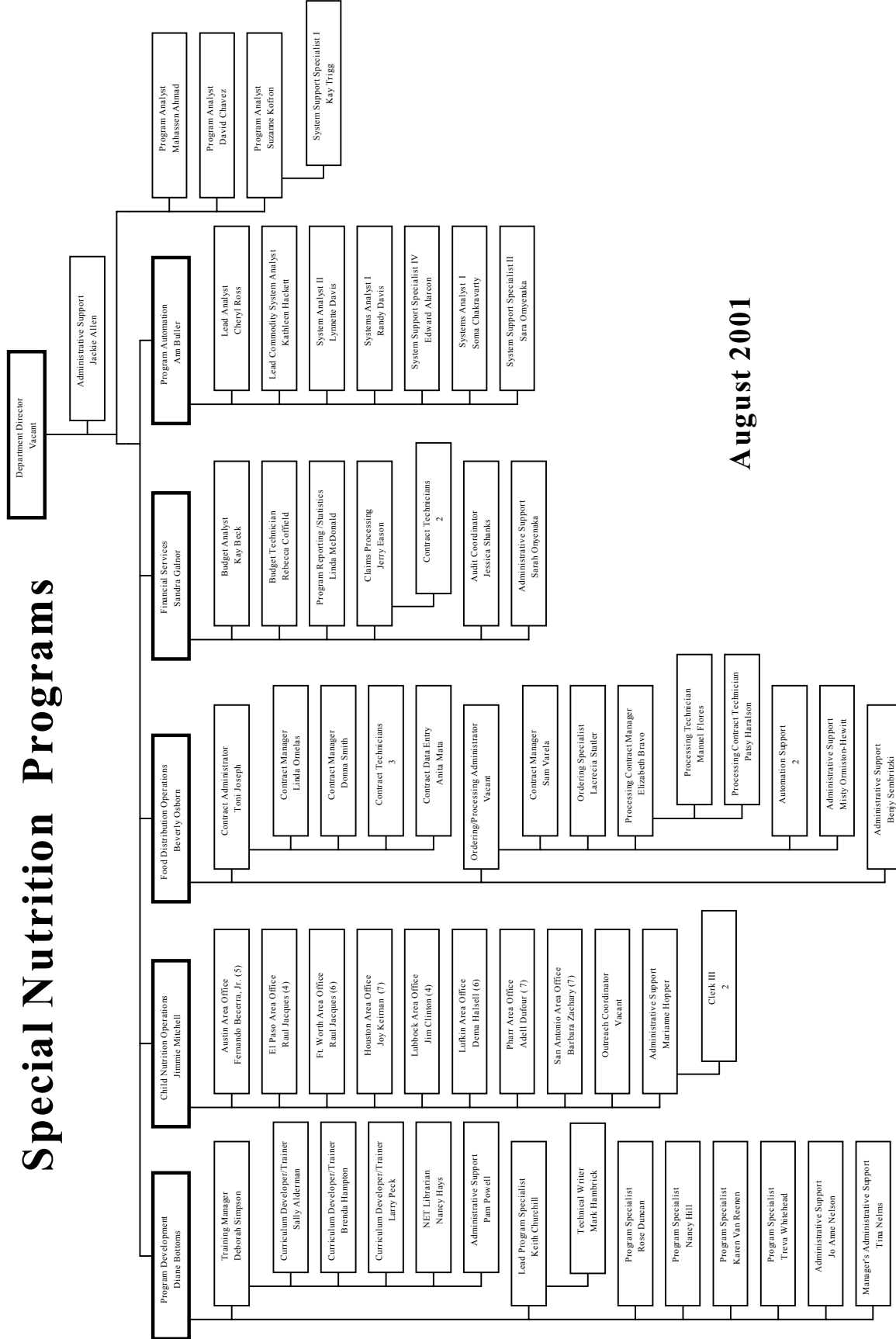
K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency’s customers.

Federal laws and regulations allow participation in all programs.

L. Please provide any additional information needed to gain a preliminary understanding of the program.

See Appendix E.

Special Nutrition Programs



August 2001

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Refugee Resettlement Program
Location/Division	Government Relations Division
Contact Name	Anne Sapp, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	25
Number of Actual FTEs as of August 31, 2000	19.01

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

The Refugee Resettlement Program provides temporary cash assistance and medical assistance for refugees who have lived in the United States for eight months or less and social services to eligible refugees who have lived in the United States for five years or less. Texas receives approximately 5,100 refugees per year. It is an all nationalities program, with the number and nationalities of refugee arrivals to the United States determined by the U.S. Congress and the President prior to the beginning of each Federal Fiscal Year.

The actual resettlement of refugees in the local communities is conducted by local Voluntary Resettlement Agencies under contracts with the U.S. Department of State. The State provides services after resettlement to help refugees become employed, learn English and adjust to cultural differences from their native countries. Effective June 15, 2000, asylees with approved petitions are also eligible for Refugee Services. For asylees, Refugee Cash Assistance and Medical Assistance is as of the date of their approved application for a period of 8 months.

The following describe the components of the program under the purview of DHS:

Refugee Cash Assistance (RCA)

Refugees who are ineligible for the Temporary Assistance for Needy Families (TANF) program may receive Refugee Cash Assistance (RCA), if they meet eligibility criteria. RCA is available for the first 8 months after arrival in the United States or in the case of asylees, for eight months after the approval of their asylum application. Grant amounts are based on the state's TANF payment levels for the corresponding family size.

On March 21, 2000, the US DHHS Office of Refugee Resettlement published final rules amending current requirements governing Refugee Cash Assistance giving states the option to operate a public/private RCA program with local resettlement agencies. Texas has elected this public/private option. A plan of operation for this program is currently being developed with stakeholders and implementation is expected by March 21, 2002.

Refugee Medical Assistance (RMA)

Refugees receiving RCA may also receive Refugee Medical Assistance (RMA) under the State's Medicaid program. Refugees who are not eligible for RCA may receive RMA only, if they meet the eligibility requirement. Like RCA, RMA is restricted to refugees who have lived in the United States for 8 months or less.

Refugee Social Services

Refugee Social Services consist of employment services, vocational training, English as a Second Language instruction, health and emergency services and other support services, which encourage economic self-sufficiency and social adjustment. The majority of services are available to refugees who have lived in the United States for 5 years or less. Citizenship and outreach services can be provided beyond the 5 year time limit. Services are provided by local contractors in areas of the State with the largest numbers of refugee arrivals: Amarillo, Austin, Dallas, Fort Worth, Houston and San Antonio.

Special Projects

Under refugee social services, discretionary grants and formula allocations are awarded to the State for additional services or to address the needs of a particular group. The State contracts with local agencies for all services. Discretionary grants are awarded through national competition while formula grants are awarded to the State based on the number of refugees residing in a county or the total number of refugee arrivals in comparison to other states.

The formula allocations currently received are: Targeted Assistance Formula Grants for Dallas, Tarrant, and Harris Counties. The Discretionary Grants currently received are under the Targeted Assistance 20% Discretionary Grant program and consist of an outreach program for elderly and disabled refugees in Dallas and Houston, a refugee family violence program in Dallas and a Sudanese Community Center program in Dallas.

Refugee Health Screening Program

The Texas Department of Health (TDH) receives pass through funding from the department to provide health-screening services for all newly arrived refugees through local health departments. The program screens refugees for health problems and conducts follow-up services for treatment.

<p>C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.</p>
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The Refugee Act of 1980 amended the Immigration and Nationality Act (INA) to create domestic refugee resettlement programs to provide assistance and services to refugees resettling in the United States. With the enactment of this legislation, the Office of Refugee Resettlement (ORR) issued a series of regulations at 45CFR parts 400 and 401 to establish comprehensive requirements for a State administered refugee program. The Refugee Act of 1980 (P.L. 96-212), as amended by the Refugee Assistance Extension Act of 1986 (P.L. 99-605), 8 U.S.C. 1522(c); section 501(a) of the Refugee Education Assistance Act of 1980 (P.L. 96-422), 8 U.S.C. 1522, section 584(c) of the Foreign Operations, Export Financing and Related Appropriations Act, 1988, as included in the FFY 1988 Continuing Resolution (P.L. 1000-461) and 1991 (P.L. 101-513) give the State the authority to contract with public or private service providers to deliver refugee social services.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

During the 72nd Legislature, SB 379 created the Office of Immigration and Refugee Affairs (OIRA) within the Governor's Office to apply and distribute federal funds for the purposes of providing services to immigrants and refugees. In FY 1994 and 1995, the oversight responsibility of OIRA was transferred to the Texas Department of Human Services, Government Relations Division. During the 74th Legislature, SB 1020 officially transferred OIRA to the Department. The original intent of the Refugee Resettlement Program to assist refugee families in attaining economic independence and cultural adjustment as soon as possible after their arrival in the United States was not changed.

The source of funding is 100% Federal funds, from the Office of Refugee Resettlement (ORR) of the Administration for Children and Families of the Department of Health and Human Services. Congress re-authorized funding for the national refugee program during FFY 2001.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

Services under this program are limited to persons who meet the federal definition of a "refugee" and who have lived in the United States for five years or less. The refugee definition includes persons admitted to the United States under sections 207 and 208 (all subsections) of the Immigration and Nationality Act, persons paroled or granted asylum under section 212(d) 5 of the INA, conditional entrants under section 203(a)7 of the INA, Cubans and Haitians who meet federal eligibility criteria, and Amerasians from Vietnam. Services must be provided to all nationalities of eligible refugees and asylees.

FY 2000 Refugee Assistance:

Average number of refugees receiving cash and medical assistance per month: 1,793

Number of refugees receiving social services: 6,844

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

The Texas Department of Human Services (DHS), Office of Immigration and Refugee Affairs is the single State agency responsible for the Refugee Resettlement Program in Texas. DHS directly administers the cash and medical assistance programs, and contracts with local service providers for provision of social services, formula Refugee grant projects and discretionary grant projects. The Refugee Health Screening Program is administered through interagency contract between DHS and TDH.

Ms. Anne Sapp, Deputy Commissioner for Government Relations (GRD), is responsible for administration of the Refugee Resettlement Program and was designated as the State Refugee Coordinator by the Governor. She reports directly to the Commissioner of DHS. GRD staff directly manages the refugee social services program, Targeted Assistance program and discretionary grants.

The Refugee Cash Assistance (RCA) and Refugee Medical Assistance (RMA) programs in DHS are administered by the Office of Programs, under the direction of the Deputy Commissioner for Programs. The regulatory relationship between RCA/RMA and TANF/Medicaid eligibility, and use of the same field staff for eligibility determination, support the placement of the RCA/RMA programs in the Office of Programs. Currently, there are 11 FTE regional positions allocated to the RCA/RMA programs in the areas of refugee resettlement- Amarillo, Austin, Dallas, Ft. Worth, Houston, and San Antonio.

In September 2001, the RCA and RMA programs will be centralized within the Centralized Benefit Services (CBS) office. The number of RCA/RMA FTEs will be reduced to 8.5.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The refugee program is funded 100% through grants from the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Refugee Resettlement.

The department has an interagency contract with TDH to provide health screening services for all newly arrived refugees through local health departments. The program screens refugees for health problems and conducts follow-up services for treatment.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

The refugee program is funded through grants from the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Refugee Resettlement. The RCA, RMA and Refugee Health Screening Program are cost-reimbursed; the federal government reimburses costs for services based on actual expenditures under approved service plans. Refugee social services and targeted assistance grants are funded under an annual allocation based on the number of refugee arrivals in the State.

General Revenue Funds:	
General Revenue.....	\$323,020
Federal Funds:	
Refugee - Cash/Medical Assistance.....	\$4,843,381
Refugee - Social Services.....	\$4,546,943
Refugee and Entrant Assistance - Targeted.....	\$1,700,712
Refugee and Entrant Assistance - Discretionary Grants.....	\$343,383
Total.....	\$11,757,439

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

Current funding resources are adequate to achieve program mission, goals, objectives, and performance targets as required by the federal funding agency.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

DHS is the single state agency providing refugee services.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

N/A

L. Please provide any additional information needed to gain a preliminary understanding of the program.

N/A

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Individual and Family Grant Program
Location/Division	Regional Operations Division
Contact Name	Clif Martin, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	0
Number of Actual FTEs as of August 31, 2000	5

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

The Individual and Family Grant Program (IFGP), commonly referred to as the Disaster Assistance Program, provides a one-time grant of up to \$14,400 to individuals and families who are victims of a major disaster declared by the U.S. president.

Emergency Services Programs (ESP) staff administers the program with assistance from DHS regional staff. ESP hires and trains temporary employees to process applications.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

The IFGP was created in 1974 by Public Law 93-288, the Disaster Relief Act of 1974, as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988.

Federal regulations for the IFGP are published by the Federal Emergency Management Agency (FEMA) in 44 CFR Part 206.131.

The Texas Disaster Act of 1975 established the Division of Emergency Management (DEM), Texas Dept. of Public Safety, as the Governor’s authorized representative in disaster planning, response & recovery. Under the State Emergency Management Plan published by DEM, administration of the IFGP is assigned to DHS.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

Since 1974, the IFGP has provided over \$250 million in grants in 44 separate disaster declarations. The number of applications has ranged from 100 to over 25,000, depending on the size of the disaster.

The services and functions remain consistent with the original intent, but automated application taking, inspection, and eligibility determination processes have enabled the program to respond more rapidly.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

IFGP grants are provided to victims of a major disaster in Texas declared by the President. Grants are provided for disaster related serious needs and necessary expenses not met by the victim's insurance or assistance from other disaster relief organizations. Assistance is provided for repair or replacement of the home, personal property, and vehicle or for medical / dental or funeral expenses related to the disaster. Applicants must first apply for a loan from the Small Business Administration (SBA) for their real and/or personal property losses and be denied by the SBA for financial reasons in order to qualify for a grant for those categories.

Number served depends on the number of presidential disaster declarations in any given year. As stated above, more than \$250 million in grants has been provided to over 100,000 individuals and families since the creation of the program.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

The program is administered by four permanent staff, who hire and train temporary employees to process applications in times of declared disasters. Regional DHS staff assist in staffing and managing the Disaster Recovery Centers established in the disaster area to provide information & referral services to disaster victims who have applied for assistance to the available state & federal disaster recovery programs.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

IFGP works closely with the Division of Emergency Management, Texas Dept. of Public Safety, which coordinates disaster response and recovery efforts of state agencies; the Federal Emergency Management Agency (FEMA) which coordinates state, federal and volunteer agency response, the SBA's Disaster Loan Program, the Red Cross, Salvation Army and various volunteer organizations involved in the disaster recovery effort.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

Funding for the program is 75% federal (FEMA) and 25% state, with the state share coming from the Governor’s Disaster Contingency Fund. Federal funds pay for 100 % of the program’s administrative costs up to 5% of the federal share of total grants.

General Revenue Funds:	
Disaster Contingency.....	\$2,560,767
Federal Funds:	
Disaster Assistance.....	\$6,954,443
Total.....	\$9,515,210

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

Additional legislative authorization is sometimes required to meet program needs if the disaster funds are depleted.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

Volunteer agencies provide some of the assistance available to disaster victims but concentrate on emergency assistance such as meeting immediate needs for food, shelter & clothing. The government programs are focused on long-term recovery.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency’s customers.

FEMA’s automation database, the National Emergency Management Information System (NEMIS) provides information to IFGP staff regarding avoidance of duplication of benefits such as: insurance policies available to the applicant; assistance provided by the Small Business Administration, FEMA’s Disaster Housing Program, and voluntary agency assistance.

L. Please provide any additional information needed to gain a preliminary understanding of the program.

Our clients are disaster victims who:

- Live in a presidentially declared disaster area;
- Have no insurance or are under-insured;
- Do not qualify for loan assistance from the Small Business Association; and
- Have serious needs and necessary expenses resulting from the disaster.

Name of Program	Family Violence
Location/Division	Government Relations
Contact Name	Anne Sapp, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	8
Number of Actual FTEs as of August 31, 2000	7.5

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

The Family Violence Program provides emergency shelter and support services to victims of family violence. The Family Violence Program contracts with non-profit organizations, the majority of which are family violence shelters, to provide a broad range of services to victims of family violence. These services include: 24 hour a day shelter, a crisis call hotline available 24 hours a day, emergency medical care, counseling services, emergency transportation, legal assistance in the civil and criminal justice systems, educational arrangements and counseling for children, information about training for and seeking employment, cooperation with criminal justice officials, community education, a referral system to existing community services and a volunteer recruitment and training program. The program also contracts with the Texas Council on Family Violence to provide support and assistance to contracting shelters and other family violence programs.

The major internal program activities to ensure the provision of services include contract management and monitoring; rule review, development and interpretation; understanding of significant family violence policy; and liaison functions with internal and external entities which work with Family Violence providers.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

The program was created in 1981 to promote development of and access to locally based and supported nonprofit shelters and services for victims of family violence throughout the state.

The requirements of this program are specified in Chapter 51 of the Human Resource Code.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

The services have expanded since the original intent. As more funding has become available to the program, family violence service providers have been able to provide more comprehensive support services to victims and their children. Additionally, the 77th legislature amended the Human Resources Code Chapter 51 to allow comprehensive non-resident agencies to receive state funding to provide family violence services.

Family violence is a complex social problem, and unfortunately, we do not foresee a time when the program will no longer be needed.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

DHS funded family violence organizations provide shelter and social services to adults and their children who have left or have been removed from the family home because of family violence. Participating programs determine eligibility for services based on an individual's claim of having been a victim of family violence, as defined by HRC Chapter 51.

A victim of family violence is defined as an adult member of a family or household who is subjected to an act of family violence; or a member of the household of the adult described above, other than the member of the household who commits the act of family violence, including an act of emotional abuse.

Family Violence is defined as an act by a member of a family or household against another member of the family or household that:

- a) is intended to result in physical harm, bodily injury, or assault or that is a threat that reasonably places the member in fear of imminent physical harm, bodily injury, or assault, but does not include defensive measures to protect oneself; or
- b) is intended to inflict emotional harm, including an act of emotional abuse.

In FY 2000, 78 participating agencies provided family violence services, residential and non-residential, to 67,312 victims and their children.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

The program is administered in state office by the Government Relations Division, Programs Unit. The unit contracts with non-profit agencies that are responsible for direct service delivery. As required by Human Resource Code Chapter 51, the department contracts statewide for training and technical assistance to family violence centers. Additionally, as legislatively allowed, the department also contracts for other statewide activities including public education, liaison activities, and administration.

The staff of the unit are involved with contract management and monitoring, providing technical assistance, collecting and reporting program data, developing rules and rule interpretations, and preparing required federal reports. Additionally, the staff works with advocacy agencies on legislation impact and implementation, as well as public information and training.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The program receives funding from the US Department of Health and Human Services, Administration for Children and Families. The grant the program receives is the Family Violence Prevention and Services Act (FVPSA) grant which is a formula grant to provide services to victims. Annually, the department is required to submit an application for funding and final grant report.

The program works collaboratively with PRS to discuss and develop policies and procedures to coordinate activities that involve both agencies. While there is not a formal MOU, there is a commitment by the leadership of both agencies to work cooperatively to assist families in need.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:

General Revenue.....	\$24,337
Crime Victims Compensation Fund.....	\$4,300,000
Earned Federal Funds.....	\$69

Federal Funds:

Title XX.....	\$82,087
Title XX - TANF.....	\$8,630,949
Family Violence Prevention Act.....	\$4,222,767

Total..... \$17,260,209

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

Funding for this program has steadily increased and consequently the number of participating programs has increased and the numbers of victims served has also increased. However, in FY 2000 it is estimated that the program only served approximately 4.8% of the estimated adult victims in the state. While the program is meeting a majority of the goals, objectives and performance targets, there are many victims that are likely not receiving services.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

The Sexual Assault Program of the Attorney General’s Office provides funding to agencies statewide to provide similar support services to victims of sexual assault. The Criminal Justice Division (CJD) of the Governor’s Office administers federal funding from the Victims of Crime Act (VOCA) and Violence Against Women Act (VAWA). The CJD funding may be used for direct services to victims of crime, including domestic violence. DHS, OAG, and CJD provide funding to many of the same service providers.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency’s customers.

The agencies coordinate information at the state level related to agencies funded and issues related to contracts and monitoring. Duplication of clients and services among the programs is not an issue because the local non-profit agencies are not 100% funded by any agency; therefore they have a variety of funding sources, including privately raised funds, to provide services to the clients in their community.

L. Please provide any additional information needed to gain a preliminary understanding of the program.

N/A

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Central Administration
Location/Division	Central Administration
Contact Name	Jerry Friedman, Executive Deputy Commissioner
Number of Budgeted FTEs, FY 2000	504
Number of Actual FTEs as of August 31, 2000	499.77

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

The following services are provided statewide to all the agency's programs: executive direction and leadership, legal services, hearings of provider appeals, civil rights, planning, evaluation and project management, budget management, fiscal accounting and reporting, human resource services, public information, state and federal government relations, internal auditing, field auditing, and fraud investigation.

Legal Services

Legal Services is divided into two parts, the Office of General Counsel and the Hearings Division. The Office of General Counsel is the internal legal counsel to the department. The office provides legal consultation on all matters to all parts of the department, consults on and reviews department rules, policy and procedure, liaisons with the attorney generals office on all litigation and represents the department in certain administrative hearings. The Hearings Division was created as a result of legislation in 1987 that directed the department to establish a hearings division separate from the Office of General Counsel. The Hearings Division receives and processes requests for administrative hearings, reviews proposals for decisions received from the State Office of Administrative Hearings, conducts internal personnel grievance hearings and liaisons with the department hearing officers who conduct fair hearings.

Civil Rights

Equal Employment Opportunity Program - Develops agency policies and procedures in EEO; counsels employees regarding their rights and responsibilities provided through federal and state laws and departmental regulations; conducts internal EEO complaint investigations and recommend appropriate corrective action; develops state office and regional affirmative action plans; develops, designs, conducts, and implements face-to-face and computer-based training sessions for employees in the areas of EEO, and provides statewide consultation and technical assistance to management regarding EEO requirements and responsibilities.

Civil Rights Compliance Review Program – Develop agency policies and procedures on state and federal civil rights compliance; counsel clients regarding their rights and responsibilities provided through federal and state laws and departmental regulations; conduct internal civil rights complaint investigations in all agency programs and recommend corrective actions; design, develop, conduct and implement face-to-face and computer-based training sessions for department employees on civil rights policies and procedures in service delivery; conduct compliance reviews of all agency service delivery programs as required by federal regulatory agencies; coordinate statewide contracts for provision of interpreter services for deaf employees and clients of DHS; establish and maintain contacts with professional and

civil rights organizations and other community groups, and provide consultation and technical assistance to management and employees regarding Title VI, Title XI of the Civil Rights Act, Section 504 of the Rehabilitation Act and the Americans with Disabilities Act requirements and responsibilities.

Planning, Evaluation and Project Management

The Office of Planning, Evaluation and Project Management provides information, tools, and technical support to executive management to guide the development of a human services agenda for the agency that lays out priorities, strategic goals, key policy directions, and the commissioner's vision. Responsibilities include agency planning, project planning and management, program evaluations, policy research, grant writing and management analysis and reporting.

Chief Financial Officer (CFO)

The CFO's area is strongly committed to promoting the utilization of public funds in the most cost effective and efficient manner and to accountability in the administration of public funds. It has successfully managed the agency's FY 2000 budget such that state dollar expenditures are within 99 percent of the state dollars budgeted.

The CFO's area includes the following divisions: Budget Management Services, Fiscal Management Services, and Provider Claims Services. This area functions as the agency's primary liaison for issues and decisions related to financial matters, for monitoring the agency's performance relative to the appropriated funding, and for managing the department's processing of claims for payment. This encompasses the provision of the following ten core functions:

1. Maintaining effective communication
2. Establishing fiscal/budget policies
3. Financial and performance accountability, monitoring and reporting
4. Managing the agency's budget/expenditure processes
5. Accounts payable/pay bills
6. LTC claims operations
7. State and federal funds management
8. Cost allocation
9. Accounts receivable tracking
10. Third party recovery (TPR) of LTC Medicaid expenditures

Human Resources

Human Resource Services key functions include: Recruitment & Selection; Employee & Management Counseling; Technical Assistance & Guidance; Payroll Processing; Employee Benefits Administration; Job Classification; Management & Staff Training/Development; Employee Wellness Program

Government Relations

The Government Relations Division (GRD) includes Federal and State Relations, Interagency Policy, the Public Information Office, Information & Referral, and Legislative Support. GRD provides executive direction for Family Violence, Immigration & Refugee Affairs, Office of Services to Persons with Disabilities, Complaint Hotline and Board Support. The division also serves as the State Refugee Coordinator.

Internal Audit

Internal Audit is divided into three functional units:

1. Internal Audit Division – evaluates financial, operational, and support activities of the agency, and conducts special projects assigned by the Board or Commissioner.

The Internal Audit Division provides a variety of services on a continual basis in order to meet established objectives. These services include:

- Assessing compliance with written policies, procedures, laws, and regulations.
- Evaluating reliability and integrity of financial and operating information.
- Reviewing and evaluating the effectiveness of internal controls in automated systems.
- Verifying existence of assets and ensuring proper safeguards for their protection.
- Investigating reported occurrences of fraud, embezzlement, theft, and other illegal transactions and recommending controls to prevent or detect such occurrences.
- Assessing economic and efficient use of resources.
- Reviewing accomplishment of established objectives and goals for operations or programs.

Internal Audit Division personnel are authorized unlimited access to all agency activities, records, property, and personnel relevant to the subject under review. This authority is granted by the *DHS Internal Audit Charter*.

The Internal Audit Division conducts objective, independent reviews of DHS operations and procedures and reports findings and recommendations to the Board and executive management. The Internal Audit Division is a staff function and does not have authority to change operating policy, procedures, or personnel.

2. Compliance Audit Division – reviews provider contracts and cost reports, and performs single audit desk reviews.

The Compliance Audit Division audits nursing facilities accounts to verify compliance with the requirements and contractual agreements. The objectives of the audits may be to:

- Determine that DHS and the Nursing Facilities are operating based on the contractual and program requirements in the areas of vendor payments, recipient trust fund accounts, and cost reporting.
- Determine the extent to which the Nursing Facilities controls and procedures provide accurate and complete records.
- Provide reasonable assurance vendor payments have been properly made to the Nursing Facility and recipient monies have been accounted for correctly.
- Recommend methods and procedures to DHS and the Nursing Facility which will enhance compliance with applicable rules and regulations.

Each contracted provider must annually submit financial and statistical information to DHS in accordance with all pertinent published DHS cost reporting rules and cost report instructions. The Compliance Audit Division reviews cost reports for accuracy and compliance with applicable rules and instructions.

3. Risk Management Division – responsible for planning, organizing, coordinating, implementing, monitoring, and controlling the agency's risk management and safety program and identifies exposures to property, liability, and worker's compensation losses.

Office of Program Integrity

The Office of Program Integrity (OPI) works in coordination with other DHS units to improve the human services provided to Texans by measuring performance and reducing errors in benefit determination, detecting and deterring fraud, and recovering misspent taxpayer funds.

OPI is composed of three units:

- the Office of the Deputy Commissioner oversees the administration, budget, public information, reporting, and automation services for the division and coordinates with other units of the Department and state agencies;
- the Quality Assurance Department measures program performance and works with the regional offices of the agency to improve the quality of services and accuracy of eligibility determination; and
- the Office of Inspector General investigates allegations of criminal misconduct and fraud in agency programs and establishes claims for repayment of overpayments.

<p>C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.</p>
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Central Administration was created to support the agency to carry out its mission and goals as mandated by state and federal law.

Authority:

Human Resources Code, Chapters 21, 22, 32, 49 and 106;
 Social Security Act Title IV-A (42 USCA 601 et seq.), Title IV-F and Title XIX (42 USCA 1396 et seq.);
 Food Stamp (7 USCA 2011 et seq.); Tex. Rev. Civ. Stat. Ann. art. 6252-5d;
 Americans with Disabilities Act; Section 504 of the Rehabilitation Act of 1973, as amended;
 Senate Bill 298, 70th Texas Legislature, as amended by Senate Bill 417, 71st Texas Legislature;
 House Bill 7, 72nd Texas Legislature;
 Article 601b, Section 1.03(1), Vernon's Texas Civil Statutes, Senate Bill 381, Section 1.06, 73rd Texas Legislature;
 Appropriations Act Section 101, 73rd Texas Legislature.

Methods of Administration – Agreement between the Texas Department of Human Services and U.S. Department of Health and Human Services, Office for Civil Rights, outlining the methods of complying with Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act.

USDA/FNS Instruction – Procedures for Civil Rights Compliance and enforcement for the Food and Nutrition Programs provided by the United States Department of Agriculture, Food and Nutrition Services.

Section 11 (c) of the Food Stamp Act of 1977 – Provides that in the certification of applicant households for the Food Stamp program there shall be no discrimination by reason of race, sex, religious creed, national origin, or political beliefs.

Title VI of the Civil Rights Act of 1964, as amended – Law requiring that no person in the United States, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial

assistance.

Section 504 of the Rehabilitation Act of 1973, as amended – Law requiring that no otherwise qualified handicapped individual in the United States shall, solely by the reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Americans with Disabilities Act of 1990 – Law requiring that no otherwise qualified person with a disability in the United States shall, solely by reason of his/her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination by any covered entity in jobs, services, or activities. The law imposes specific penalties for non-compliance. Applies to both public and private entities.

Title IX of the Education Amendments of 1972 – Law prohibiting discrimination based on sex in educational programs and activities operated by recipients of federal financial assistance.

Age Discrimination Act of 1975 - Law prohibiting discrimination based on age in programs and activities operated by recipients of federal financial assistance.

Texas Administrative Code, Title 40: Part I, Chapter 73, Subchapters A – G – Law providing for a process and procedure for administering all programs and services, directly or through contractual or other arrangement in accordance with applicable federal civil rights laws and regulations.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

The functions of Central Administration have become more complex over time in response to growth in both the number of people and programs supported, and in state and federal reporting requirements and regulations. At the same time, available state revenue has limited increased state funding for these functions. This has led to even greater reliance on automation to improve efficiency. Current initiatives such as standardizing and centralizing support functions across health and human services agencies should help in this effort over the long run, but will increase the pressure on already strained systems and staff for the immediate future.

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

Central Administration serves all the staff of this agency, both state and federal legislative and regulatory bodies; and vendors of goods and services purchased by the agency. Some functions (notable among them federal funds management) support many other state and local entities as well.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

Central Management Services is organized functionally. The Office of the Commissioner provides executive oversight for the agency as a whole, with twelve specific functional areas reporting to that office.

- Strategic Planning, Evaluation and Project Management
- Audit (Both Internal Management Audit and Contractor Compliance Audit)
- Field Management (line supervision of regional executive management)
- Governmental Relations
- Legal Services (includes civil rights and recipient appeal hearings)
- Financial Services
- Long-Term Care Regulatory Services
- Program Integrity (fraud prevention, detection and collection)
- Business Services
- Human Resource Services
- Program Management (policy, fiscal management and reporting for all programs)
- Management Information Systems (automation infrastructure and systems development/maintenance)

The heads of these functional groups, together with the Commissioner and Executive Deputy Commissioner, comprise the Executive Staff, the highest-level management team of the agency.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$5,445,377
General Revenue-Medicaid.....	\$4,458,566
TANF-Maintenance Of Effort.....	\$140
Federal Funds:	
TANF-Administration.....	\$139,289
TANF.....	\$3,262,523
Title XIX Administration - 50/50.....	\$4,811,394
Title XIX Administration - 75/25.....	\$3,959
Title XX.....	\$580,311
Food Stamps - 50/50.....	\$4,079,923
Food Stamps - Fraud 50/50.....	\$1,659,910
Refugee - Cash/Medical Assistance.....	\$23,742
Refugee - Social Services.....	\$7,673
Child and Adult Care Food Program.....	\$25,037
Summer Food Service Program for Children.....	\$16,326
State Administrative Expenses for Child Nutrition.....	\$140,262
Title XVIII - State Survey and Certification.....	\$480,438
State Survey and Certification - 50/50.....	\$49,392
State Survey and Certification - 75/25.....	\$446,588
Title XVIII-HCSSA.....	\$104,547
Title XXI (Child Health Insurance Program) - CHIP.....	\$278,907
Other Funds:	
Interagency Contracts.....	\$125,951
Total.....	\$26,140,255

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

No. The agency needs to replace more than twelve disparate mainframe and LAN systems, some more than twenty years old, with one integrated client server package for administrative systems. The existing systems are increasingly difficult and prohibitively expensive to modify and maintain. DHS plans to implement a financial and administrative system in coordination with other health and human services agencies. This new system will provide the opportunity to take a team approach to leveraging information resources to address common human service agency issues. Additionally, the agency will meet legislative requirements for standardized payroll and personnel systems as well as comply with accounting standards set out in Statements 34 and 35 from the Governmental Accounting Standards Board. The 77th Texas Legislature did not approve the request for additional funds to support this initiative.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

Central Administration is an area that provides the administrative support any organization, agency or entity requires to carry out its mission. As such, there are other agencies, organizations and entities that provide similar services.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

Health and human services agencies have been mandated by Legislation to review business processes and explore the possibility of integration of similar agency activities and administrative functions to maximize productivity and efficiency of operations. One of the areas to review involves human resources management.

L. Please provide any additional information needed to gain a preliminary understanding of the program.

N/A

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Other Support Services
Location/Division	Other Support Services
Contact Name	Tom Phillips, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	140
Number of Actual FTEs as of August 31, 2000	126.75

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

Other Support Services: Includes statewide policy and oversight of support services including purchasing, historically underutilized businesses, contract policy, facility acquisition and management, forms and policy development and distribution, records management and storage, the Lone Star Image System (finger imaging) and finger imaging at point-of sale, and operation and monitoring of the EBT (Lone Star Card) program. Also included is direct support to staff in all programs within state headquarters. This strategy includes the Health and Human Services Consolidated Print Shop, which is cooperatively managed by DHS and the Texas Department of Health under franchise agreement with the General Services Commission.

Business Services

General Procurement - Processes purchase requests for goods and services. Expedites goods, invoices and receipts. Liaison with regional procurement offices.

Contract Procurement for Goods and Services - Develops contracts for the procurement of automation, telecommunications, and other goods and services.

Historically Underutilized Business (HUB) Program Management - Leads the agency’s effort in reaching HUB purchasing goals, and reports HUB purchasing activity. Conducts forums, mentor-protégé, and attends outreach efforts.

Contract Policy - Develops and maintains contract administration rules, polices and procedures to be used by contract staff statewide. Provides statewide contract administration training. Maintains automated contract information system to provide information for management reporting. Monitors, reports and issues resolutions for interagency umbrella service contracts.

Purchase Voucher Payment Approval - Provides voucher payment approval for goods and services received.

Travel Management - Provides voucher payment approvals for advance travel, travel reimbursement, travel vendor direct payments and manages the state travel charge card program.

Health and Human Services Printing and Distribution - Produces various types of printed material, including forms, publications, posters, policy manuals and revisions, reports, newsletters, certificates, licenses, and others for use in the administration and delivery of services by all Health and Human Services agencies. Oversees distribution of DHS printed materials delivered locally and statewide by

commercial carriers.

Facility Management and Security - Provides a wide range of Winters Complex services including, but not limited to, building maintenance work order tracking, receiving and disposing of surplus equipment; assisting in furniture and equipment moves; fleet maintenance; receiving and tagging capital equipment; personal computer migration, office supply distribution, copy services; recycling and confidential trash services; minor construction monitoring; and mail delivery. Provides physical security for Winters Complex.

Facilities Leasing - Interprets lease laws, translates laws into policy and procedures, assists regional staff in meeting state lease requirements, including handicapped accessibility, 153 square foot/full-time equivalent law compliance, health and safety issues. Provides lease management and oversight of state office leases, prepares and processes exclusion requests, reviews and processes technical deviations to architectural barriers standards. Coordinates agency activities for lease issues with other state agencies, and external private and public entities. Maintains lease contract information in an automated system for reporting to over-site agencies and internally.

Records Management - Maintains the agency's records retention schedule, including biennial recertification. Translates federal and state records laws into agency policy and procedure. Coordinates records management activities with the Texas State Library and Archives Commission. Approves agency records for storage and destruction. Assists agency staff with understanding and implementing records management principles and requirements. Develops contracts for records services, monitors contractor performance and approves payments.

Mail Services - Develops contracts and monitors contractor performance, takes appropriate corrective actions to resolve service problems, approve contractor payments. Provides advice on the most efficient and effective use of mail services to agency staff. Resolves mail services problems with the US Postal Service and other state agencies. Maintains postage accounts, P O Box rentals, and postal permits. Maintains the agency's mail code system.

Rules/Handbooks/Forms - Processes agency rules via the Texas Register; coordinates handbook revisions, both paper and online; coordinates production of agency forms, both paper and online; maintains SSD web site. Manages rules base; transmits rules, open meeting notices, and miscellaneous submissions to the Texas Register. Edits revisions; coordinates production of revisions, both paper and online; communicates with print shop; coordinates archiving of handbooks; responds to internal and external inquiries relating to handbooks; manages Online Handbooks Project. Builds and maintains extensive database of 1,000+ agency forms. Designs, updates, and maintains web site for Support Services Division.

<p>C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.</p>
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The **Records Management Program** is required by law given in the General Administrative Code.

The **Agency Rule Review Process** is legislatively mandated and has been in place in its current configuration for about 10 years (Gov. Code, 2001.039, added by Acts. 1999, 76th Legislature, Chapter 1499, Art. 1, Section 1.11)

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

N/A

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

N/A

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

Other Support Services functions as a decentralized program, with regional counterparts located in each region across the state providing human resources, civil rights, and business services.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$1,843,258
General Revenue-Medicaid.....	\$760,860
Federal Funds:	
TANF.....	\$321,309
Title XIX Administration - 50/50.....	\$695,250
Title XX.....	\$96,066
Food Stamps - 50/50.....	\$699,822
Refugee - Cash/Medical Assistance.....	\$4,237
Refugee - Social Services.....	\$1,328
Summer Food Service Program for Children.....	\$3,121
State Administrative Expenses for Child Nutrition.....	\$24,576
Title XVIII - State Survey and Certification.....	\$84,987
State Survey and Certification - 50/50.....	\$8,378
State Survey and Certification - 75/25.....	\$78,121
Title XVIII-HCSSA.....	\$18,189
Title XXI (Child Health Insurance Program) - CHIP.....	\$49,224
Other Funds:	
Interagency Contracts.....	\$6,707,355
Total.....	\$11,396,081

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

N/A

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

N/A

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency’s customers.

N/A

L. Please provide any additional information needed to gain a preliminary understanding of the program.

N/A

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Management Information Systems
Location/Division	Management Information Systems
Contact Name	David Freeland
Number of Budgeted FTEs, FY 2000	468
Number of Actual FTEs as of August 31, 2000	518.13

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

Management Information Systems (MIS) is divided into functional areas that all work together to provide IT (information technology) systems for the support of DHS agency functions. MIS seeks to provide high quality, flexible, and cost effective IT products and services that enable our customers to achieve their missions. These functional areas are described below.

Chief Technology Officer

- The Chief Technology Officer (CTO) performs tasks and projects to expand cooperation and common development of technologies, services and architecture management with the Health and Human Services agencies. The CTO participates in or directs special projects assigned by the HHSC Information Resource Manager (IRM) Council to a Technical Architecture Committee and shares architecture management information, processes and resources as needed when working with HHS agencies. This position provides technical information to the Deputy Commissioner for MIS and serves as manager of the Architecture Management Group, which supports the Architecture Review Board and sets technical direction.

Systems Engineering and Validation

- Systems Engineering and Validation (SEV) is responsible for enabling MIS to follow a rigorous system engineering lifecycle as it performs its IT mission. SEV is responsible for defining, documenting, and enforcing implementation of system architecture, system engineering, system integration, and system validation processes and standards. SEV provides total cost of ownership of large, complex, or high-risk systems. SEV establishes validated systems requirements baselines and acceptance criteria, and ensures that the systems satisfy those criteria. They also apply technical planning, analysis, and oversight of system development/integration contracts, and system acceptance testing to the MIS acquisition process. SEV also provides long-term planning for technology transfers and system migration.

Customer Relationship Management

- Customer Relationship Management provides a consistent point of contact for each MIS customer regarding any MIS function. Each customer (both internal and external to the Agency) is assigned a Business Area Manager (BAM) who provides oversight and maintains general knowledge of all services provided to that customer by MIS. BAMS often work with customers to identify business and automation needs; initiate and coordinate requests for MIS services; provide information for

planning, legislative requests or other special needs; facilitate problem resolution; and assist in contract issues.

Systems Development Resources

- Systems Development Resources (SDR) ensures that MIS has an adequate collection of technically qualified staff (supplemented by contractors) to meet project requirements. Coordinates projected and actual manpower requirements with the Project Management Office (PMO) and technology directions with System Engineering Validation (SEV) to develop strategies to maximize overall resource utilization. Reports progress, issues and problems to Assistant Deputy Commissioner or Deputy Commissioner for MIS on a regular basis. Works with and guides SDR Managers in attracting, acquiring, developing, motivating, and retaining staff to meet division, department and agency goals and objectives.

Quality Management Services

- The Quality Management Services' (QMS) mission is to lead MIS in continuously improving our ability to efficiently provide information technology capabilities that effectively support the DHS MIS Mission. QMS provides the means for MIS to implement processes and deliver products and services that will satisfy customer quality needs. QMS is responsible for defining MIS quality policy, defining quality objectives, planning and then guiding their implementation. The QMS approach to quality management is derived from a combination of standards developed by members of accredited standards developing organizations and internationally recognized professional institutes. The MIS QMS division is also implementing, in detail, internal quality assurance procedures required by Texas legislation and as guided by the Department of Information Resources.
- QMS provides:
 - Quality Training
 - A Process Improvement Program
 - Quality Assurance and Auditing Services
 - A Quality Metrics Program

Business Development Management

- This function reports to the deputy commissioner and is responsible for a variety of tasks that are generally related to communications. The two primary areas of responsibility are business development and external communications.

MIS offers its services to other agencies and related organizations. Business Development Management (BDM) is responsible for providing information about MIS services to potential customers, obtaining cost estimates for specific services, preparing proposals, and related activities. BDM works with rate holders in the development of new service offerings. BDM works with the MIS contract management function to prepare contracts for new customers.

- The communications functions of BDM are wide ranging. Responsibilities include:
 - Managing MIS Intranet and Internet content
 - Creating HHS Consolidated Network web site, annual report, etc.
 - Creating MIS publications and contributing to agency publications
 - Responding to and tracking open records requests
 - Providing information in support of agency public information function

- Assisting in staff recruitment activities
- Representing MIS on the DHS web policy committee
- Assist MIS deputy in support of multi-agency activities such as State Agency Coordinating Council (SACC), Texas Association of State Systems for Computing and Communication (TASSCC), Information Technology Academy, Government Technology Conference, etc.
- Assist management in developing presentations, speeches, reports, and other materials.

Production Services

- Production Services provides automation resources in support of applications and processes used in the conduct of agency business. The provision of resources should be done in a timely, reliable and cost effective manner.
- Production Services encompasses many functional areas including the following:
 - Hardware (Mainframe and Mid-Tier);
 - Operating Systems (Mainframe and Mid-Tier);
 - Data Base Administration;
 - Production Control (Output management, control totals, and scheduling);
 - Middleware (system level support of software tools);
 - Print services; and
 - Data Center.
- Production Services provides these resources in support of development, test, and productional environments. Related activities involve procurement, maintenance, security, performance monitoring, charge back data collection, consultation, planning, reporting, backup/recovery functions, business continuity functions, and custodial responsibility of the agency data resources. All of these resources and services are delivered to our customers who include DHS system development staff, project teams, strategic initiative teams, other state agencies, service vendors, state and national government entities, and other business partners as defined by the agency's mission and goals.

Enterprise Services

- Enterprise Services serves as an internal service bureau to the rest of MIS and our external customers by providing a suite of enterprise-wide services, information, tools, and support including: problem intake, tracking, and reporting; technical education, library services, and learning management; PC and LAN evaluation, integration, and support, including moves, installations, maintenance, and labs; web management and administration; security administration; end user hardware and software support; disaster recovery/business continuity program management and administration; postmaster; software distribution; production library management; software configuration management; and consultation.

Project Management Office

- The Project Management Office (PMO) is responsible for the delivery of products (including hardware, software and other components) to customers for all MIS projects. This responsibility includes: receiving and planning work requests; activating projects to perform such work requests; monitoring and reporting on the work requests being executed; ensuring compliance to processes and best practices; and taking whatever corrective actions are required to ensure successful product delivery. That is, the PMO represents MIS executive management in planning project workloads, providing project oversight, reviewing project status, taking corrective action, ensuring compliance to

established processes, and ensuring delivery of products to customers.

Management Services

- Management Services consists of several areas that provide management support to MIS. These areas include automation planning, policy management, computer security, audit management, budget management, and cost recovery.
- Automation planning is a future-oriented process of assessment, goal setting, and decision making that maps an explicit path between the present and the vision of the future. It helps ensure that the agency's acquisitions and use of technology are cost-effective and support service delivery goals and objectives.
- Policy Management provides centralized management, publication, and access to the agency's automation policies and procedures.
- Computer security staff in Planning and Management Support are responsible for the following functions:
 - Coordinate, document, and revise security policies and procedures to meet agency business needs and comply with laws and regulations,
 - Monitor security activities,
 - Conduct biennial risk analysis and security review of automated data processing systems,
 - Educate staff on security policies and procedures,
 - Investigate security incidents, and
 - Answer questions about security policies and procedures.
- MIS Audit Management is the single point of contact for all automation audit activities. This includes scheduling audit conferences, coordinating informational interviews as needed, responding to audit questions and findings, and tracking and reporting progress on corrective action in response to audit findings.
- The budget management function ensures that MIS is able to accurately plan and report the allocation of financial resources in the accomplishment of its mission. This function includes the collection and dissemination of: prior periods of comparative budget data, translation of current MIS goals into financial units and updating of those financial units as changes in MIS plans occur, thereby creating a starting point for subsequent periods budgeting.
- Within the MIS organization, cost recovery is responsible for maintaining computerized invoicing files, customer statement of account files, and related supporting documentation for the invoicing and customer refund functions. In addition, Cost Recovery is responsible for developing and refining preliminary volume data for use in the rate setting process.

<p>C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.</p>
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N/A

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

N/A

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

N/A

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

See organizational chart at the end of this section.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$4,917,976
General Revenue-Medicaid.....	\$8,077,175
Federal Funds:	
TANF.....	\$4,399,640
Title XIX Administration - 50/50.....	\$4,461,419
Title XIX Administration - 75/25.....	\$6,419,860
Title XIX Administration - 90/10.....	\$158,416
Title XX.....	\$1,005,601
Food Stamps - 50/50.....	\$5,813,721
Refugee - Cash/Medical Assistance.....	\$47,037
Refugee - Social Services.....	\$2,322
Summer Food Service Program for Children.....	\$44,391
State Administrative Expenses for Child Nutrition.....	\$377,670
Title XVIII - State Survey and Certification.....	\$475,619
State Survey and Certification - 50/50.....	\$54,913
State Survey and Certification - 75/25.....	\$545,178
Title XVIII-HCSSA.....	\$34,405
Title XXI (Child Health Insurance Program) - CHIP.....	\$470,036
Other Funds:	
Interagency Contracts.....	\$13,721,563
Total.....	\$51,026,942

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

The current and future funding resources are not adequate to achieve all program mission, goals, objectives, and performance targets. MIS is making many efforts to not only maintain the current high level of services, but to also plan for future needs in the rapidly changing world of information technology. Requests for exceptional items have been made within the Legislation Appropriation Request (LAR) process in order to create a viable transition plan from the old legacy information technology systems to modern systems that can better meet the needs of the modern technology environment.

The most current example of this was the 2002-2003 LAR exceptional item titled Automation Infrastructure Improvements (AII). This item would have upgraded the quality and capacity of the MIS information technology infrastructure that supports all DHS systems. This upgrade would have resulted in a more open and flexible system that would facilitate access to agency data, improve responsiveness to stakeholder concerns, and allow for needed future systems and increased outsourcing opportunities. This exceptional item was not approved in the last legislative session.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

N/A

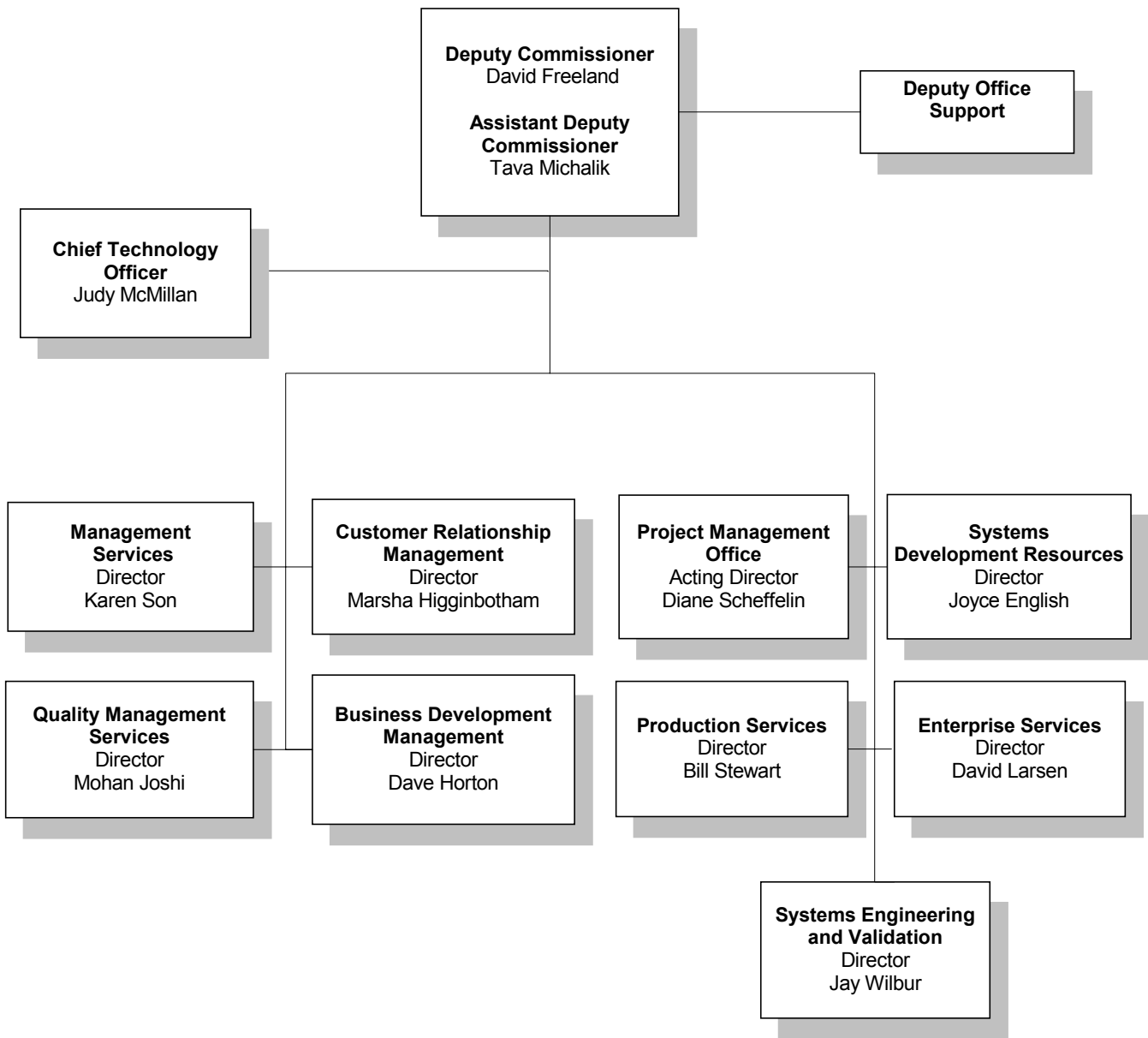
K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

N/A

L. Please provide any additional information needed to gain a preliminary understanding of the program.

N/A

Management Information Systems



August 2001

Texas Department of Human Services Exhibit 13: Program Information — Fiscal Year 2000	
Name of Program	Regional Administration
Location/Division	Regional Operations Division
Contact Name	Clif Martin, Deputy Commissioner
Number of Budgeted FTEs, FY 2000	274
Number of Actual FTEs as of August 31, 2000	272.67

B. What are the key services and functions of this program? Describe the major program activities involved in providing all services or functions.

DHS has offices and staff throughout Texas, and it has a decentralized administration with strong regional focus to make DHS leadership accessible, accountable, and responsive to local communities. Regional Administration unifies diverse programs for greater efficiency and makes adapting statewide programs and systems practical, given the size and diversity of the regions of Texas. Each region has unique and changing demographics and contains both rural and urban areas. Boundaries conform to the 11 Texas Health and Human Services regions established in 1993, but Regions 2 and 9 are both administered by one headquarters office in Abilene.

Regional Operations includes the following staff under the direction of the Deputy Commissioner for Regional Operations:

- State Office Regional Operations staff, who support regional administration, provide and manage services, and develop policy and systems.
- 10 Regional Administrators and more than 11,000 field staff and hundreds of contracted programs they direct.

The 10 Regional Administrators and the following region-specific support services are included in this strategy: public information, legal services, civil rights, hearings of client appeals, budget management, human resource services, telecommunications, technical computer support, volunteer development, and business services such as purchasing, accounts payable, building and property management.

C. When and for what purpose was the program created? Describe any statutory or other requirements for this program.

Regional Operations’ purpose is:

- to plan, implement, manage, contract for and/or deliver most client services of DHS in all 11 HHSC regions;
- to promote, facilitate and manage the use of community volunteers to extend and improve services;
- to provide and coordinate emergency services to victims of federally declared disasters
- to provide ongoing and emergency repatriation services to U.S. citizens; and
- to lead, advocate for and supervise Regional Administrators statewide whose staff, contractors, and volunteers provide, manage or support all DHS client services.

Regional Operations’ field staff with the support of State Office staff:

- Administer, plan, manage, support and directly deliver or contract out TDHS client service programs.
- Provide supporting services to State Office staff housed in the field and to many co-located agencies.
- Coordinate and collaborate with local community organizations and governmental entities to provide a wide array of services to mutual clients.

Regional Operation’s State Office staff, with the support of other State Office staff, provides oversight of regional service delivery by:

- Defining key performance expectations for regional administrators, measuring results, and evaluating performance;
- Authorizing appropriate allocation of resources to the regions;
- Monitoring regional budget management, including FTE and travel ceilings;
- Facilitating communications, cooperation, coordination, and conflict resolution at the regional and State Office levels;
- Facilitating development and implementations of policy and systems for service delivery and support programs, including interagency cooperation;
- Identifying problems and opportunities, and facilitating appropriate action;
- Managing projects to solve problems or improve regional services and systems and
- Managing the Data Broker Contract.

Regional Operations State Office directly provide services by:

- Managing and directing the statewide Adopt-A-Nursing Home Program
- Managing and directing the statewide DHS Emergency Services Programs (Disaster Services and Individual and Family Grant Program)
- Managing and directing the statewide DHS Volunteer Services Program and the Family Pathfinder Program and coordinating the DHS Federal Welfare Reform Charitable Choice Initiative.

The statutory requirements for Regional Operations can be found in chapters 21 and 22 of the Human Resource Code.

D. Describe any important history not included in the general agency history section, including a discussion of how the services or functions have changed from the original intent. Will there be a time when the mission will be accomplished and the program will no longer be needed?

N/A

E. Describe who this program serves. How many people or entities are served? List any qualifications or eligibility requirements for receiving services or benefits.

The following is a monthly average of Texans who are served by the programs DHS administers:

- 1,398,000 Texans participate in the Food Stamp program;
- 342,000 Texans receive the TANF grant;
- 756,000 Texans participate in the Medicaid program;
- 129,000 Texans receive assistance through the Community Care programs;
- 67,500 Texans are provided assistance with their Nursing Home Facilities; and
- 48,000 Texans receive assistance through our Managed Care programs;

Additionally, 120,000 families and individuals have received \$375 million as victims of disasters in Texas. Over \$168 million of that amount has provided relief to victims of the Houston flood of June 2001, with a projection of another \$104 million to be spent on disaster relief for those victims.

F. Describe how the program is administered. Include flowcharts, timelines, or other illustrations as necessary. List any field or regional services.

Regional Operations Staff, with the support of other State Office staff, provide oversight of regional service delivery by defining key performance expectations for regional administrators, measuring results, and evaluating performance; authorize appropriate allocation of resources to the regions; monitor regional budget management; facilitate communications, cooperation, coordination, and conflict resolution at the regional and State Office levels.

The 10 Regional Administrators and their support staff provide services in public information, legal services, civil rights, hearings of client appeals, budget management, human resource services, telecommunications, technical computer support, volunteer development, and business services such as purchasing, accounts payable, building and property management.

G. If the program works with a federal government agency (e.g., Housing and Urban Development, Federal Deposit Insurance Corporation) or local units of government, (e.g., Councils of Governments, Soil and Water Conservation Districts), please include a brief, general description of these entities and their relationship to the agency. Briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

Regional Operations staff work closely with United States Department of Agriculture Food and Nutrition Services in developing a community intervention model that is tailored to the unique conditions of the colonias environment and can be readily adapted to other colonias along the border. This Colonia Initiative Implementation Plan will increase the availability and accessibility of services in the colonias. Regional Operations Staff also work with other state agencies such as; the Office of Attorney General, Texas Workforce Commission, and Texas Department of Health.

The Family Pathfinders Program and Volunteer Services has community-based project contracts and/or memorandums of agreements to support the Family Pathfinders development statewide. Contracts for these services are with the Corporation for National Service and AMERICORP*VISTA.

H. Identify all funding sources and amounts for the program, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

General Revenue Funds:	
General Revenue.....	\$2,413,954
General Revenue-Medicaid.....	\$2,308,652
Federal Funds:	
TANF.....	\$1,191,797
Title XIX Administration - 50/50.....	\$2,137,176
Title XX.....	\$230,889
Food Stamps - 50/50.....	\$2,215,557
Food Stamps - Fraud 50/50.....	\$173,027
Refugee - Cash/Medical Assistance.....	\$7,998
Summer Food Service Program for Children.....	\$6,070
State Administrative Expenses for Child Nutrition.....	\$29,476
Title XVIII - State Survey and Certification.....	\$175,639
State Survey and Certification - 50/50.....	\$17,109
State Survey and Certification - 75/25.....	\$163,521
Title XVIII-HCSSA.....	\$28,926
Title XXI (Child Health Insurance Program) - CHIP.....	\$120,335
Other Funds:	
Interagency Contracts.....	\$525,410
Total.....	\$11,745,536

I. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.

Funding levels and FTE ceilings present a challenge in a time of increased workloads. Long-Term Care Services are experiencing increased demands with higher caseloads. Texas Works programs have additional demands related to client services that are associated with Welfare-to-Work activities that require client informing and barrier identification for those needing assistance in becoming self-sufficient. Agency employees involved with the Texas Works program are held accountable to stringent case accuracy and timeliness standards. Acuity issues related to Community Care programs, especially Community Based Alternatives (CBA) will continue to drive the costs up in Long-Term Care. The future funding for the TIERS project will be based solely upon enhanced funding received as a result of the Quality Control efforts of staff in the Texas Works program. Their success in exceeding Federal tolerances for case accuracy has already accrued \$75 million dollars in enhanced funding for the state of Texas.

Current and future funding levels for DHS regions are not adequate to achieve program goals. Funding levels and FTE ceilings have not kept pace with caseload, thus increasing workloads. In Long-Term Care services, caseloads increase at a higher rate than funding. In Texas Works, more time is required to work a case, which necessitates more funding and staffing to keep up with the workload.

J. Identify any programs internal or external to the agency that provide identical or similar services or functions. Describe the similarities and differences.

No other internal or external entities provide similar services as Regional Operations.

K. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question J and with the agency's customers.

N/A

L. Please provide any additional information needed to gain a preliminary understanding of the program.

N/A

Special Projects and Initiatives

Texas Integrated Eligibility Redesign System

Formerly referred to as the Texas Integrated Enrollment and Services (TIES) project, the Texas Integrated Eligibility Redesign System (TIERS) project was created by the 76th Texas Legislature to implement several improvements in the delivery of programs administered by DHS. The project's primary goals include the replacement of several outdated automation systems associated with eligibility determination and enrollment functions for multiple programs within DHS with one state-of-the-art integrated system that will improve accuracy and enhance the delivery of services to millions of Texans.

TIERS will improve client access to benefits and services and better coordinate service delivery for health and human service programs.

The history of TIERS can largely be traced through State legislation, beginning with Texas House Bill (HB) 2777, which in 1997 formed the basis for the TIES project. Through HB 2777, the 75th Texas Legislature directed HHSC to work in partnership with DHS, TDH, TWC and other affected agencies, in consultation and coordination with the TIES Legislative Oversight Committee (LOC):

...to develop and implement a plan for the integration of services and functions relating to eligibility determination and service delivery by health and human services agencies, the TWC, and other agencies.

HB 2777 further directed HHSC to give priority to the design and development of computer hardware and software for an integrated eligibility determination system. It also specified business process reengineering as the methodology to be used to revamp the processes of eligibility determination for DHS, TDH, and TWC. Under this approach, eligibility was assessed for a broad array of services using an integrated process and supporting technology. The HHSC was specifically named the lead agency for the effort. However, in 1999, the 76th Legislature narrowed the scope of prior efforts and provided a significantly different direction, including:

- The responsibility for the new system moved from HHSC to DHS, effective September 1, 1999, and the project was changed from TIES to TIERS;
- The programs in scope include approximately 50 types of DHS assistance programs in the Texas Works and Long-Term Care Programs. The system will not include eligibility determination for programs administered by TDH and TWC. However, enhanced data sharing and improved interfaces with these and other Texas agencies (e.g., Office of Attorney General) are being incorporated into the TIERS design. DHS works closely with these agencies through workgroups and advisory committees to ensure that integration of programs are considered in the TIERS design, construction, and implementation.

The TIERS focus is on the following:

- Replacing the automated systems that support DHS eligibility determination and enrollment processes;
- Ensuring effective and efficient business processes, including simplifying and integrating policies, and expanding fraud prevention tools identified under the previous TIES effort;

- Establishing a foundation for the incorporation of other agencies and programs in the future.

The TIERS project is scheduled for completion in December 2006 when all warranty periods conclude. At that time, the system will become a component of DHS' baseline budget.

DHS currently serves an estimated one out of seven Texans through its approximately 50 public assistance programs. Current Federal and State rule or policy specifies the qualifications and eligibility requirements. These rules and policy will be incorporated into the system during development. When completely implemented, access to DHS programs will increase through TIERS. As the first web-enabled public assistance eligibility determination system in the country, TIERS will provide access for individuals and families in need, community organizations, and other State agencies via the Internet. By the end of July 2001, the TIERS Screener (STARS) will be on the Internet as a tool to determine potential eligibility for DHS programs as well as some programs administered by other State agencies. The eligibility determination programs in scope for TIERS are listed in the following table.

DHS PROGRAMS IN SCOPE	
Texas Works	Aged and Disabled
<ul style="list-style-type: none"> <input type="checkbox"/> Food Stamps <input type="checkbox"/> Refugee Cash Assistance <input type="checkbox"/> Refugee Medical Assistance <input type="checkbox"/> Temporary Assistance for Needy Families (TANF) <ul style="list-style-type: none"> • Basic TANF (includes Medicaid) <ul style="list-style-type: none"> • TANF for Unemployed/Underemployed Parent (includes Medicaid) • One-Time TANF Payment • One-Time TANF Grandparent Payment • Child Support \$50.00 Pass Through and 1st Excess (SPUR Project) <input type="checkbox"/> Family Medical Assistance <ul style="list-style-type: none"> • Medical Assistance for Pregnant Women • Presumptive Eligibility Medical Assistance for Pregnant Women • Medical Assistance for Children Under Age One • Medical Assistance for Newborn Children • Medical Assistance for Children Ages 1 through 5 • Medical Assistance for Children Ages 6 through 18 • Medical Assistance for Children Ineligible for TANF Because of Applied Income • Medically Needy Medical Assistance • Medically Needy with Spend Down 	<ul style="list-style-type: none"> <input type="checkbox"/> Long-Term Care Community Care <ul style="list-style-type: none"> • Adult Foster Care • Client Managed Attendant Services • Community Based Alternatives • Community Living Assistance and Support Services (CLASS) • Day Activity & Health Services (DAHS Title XIX) • Day Activity & Health Services (DAHS Title XX) • Deaf Blind / Multiple Disability • Emergency Response Service • Family Care • Frail Elderly • Home and Community-based Services • Home and Community-based Services – OBRA • Home Delivered Meals • In-Home & Family Support • Medically Dependent Children's Program • Mental Retardation Local Authority • Primary Home Care • Program of All Inclusive Care for Elderly • Residential Care

DHS PROGRAMS IN SCOPE	
Texas Works	Aged and Disabled
<p>Medical Assistance</p> <ul style="list-style-type: none"> • Medically Needy Nonimmigrant and Undocumented Alien Medical Assistance • Nonimmigrant and Undocumented Alien Medical Assistance for Children Under Age 1 • Nonimmigrant and Undocumented Alien Medical Assistance for Children Ages 1 through 5 • Nonimmigrant and Undocumented Alien Medical Assistance for Children Ages 6 through 18 • Medically Needy with Spend Down Nonimmigrant and Undocumented Alien Medical Assistance • Child Support Transitional Medical Assistance • Earnings Transitional Medical Assistance • Earned Income Deduction Transitional Medical Assistance • State Time Limit Transitional Medical Assistance 	<ul style="list-style-type: none"> • Respite Care • Special Services to Persons with Disabilities • Special Services to Persons with Disabilities (24-Hour Attendant Care) • Texas Rehabilitation Commission Personal Assistance Program <input type="checkbox"/> Medicaid Eligibility (ME) <ul style="list-style-type: none"> • Disabled Adult Child • Disabled Widow(er) • ICF-MR Programs • Institutional Hospice • Institutions for Mental Disease • Medically Needy Nonimmigrant and Undocumented Alien Medical Assistance • Medicaid Cost-Sharing for Qualified Disabled & Working Individuals • Medicaid Cost-Sharing for Qualified Medicare Beneficiaries • Medicaid Cost-Sharing for Qualifying Individual I • Medicaid Cost-Sharing for Qualifying Individual 2 • Medicaid Cost Sharing for Specified Low-Income Medicare Beneficiaries • Medicaid Eligible Denied SSI (Social Security Benefit Increase Programs) • Nursing Facility Care • Pickle Amendment • Prior Medicaid for SSI • SSI Denied Children
Adjunctive Eligibility Programs	
<ul style="list-style-type: none"> <input type="checkbox"/> Medical Transportation <input type="checkbox"/> Texas Health Steps <input type="checkbox"/> Food Stamp Employment and Training (E&T) 	<ul style="list-style-type: none"> <input type="checkbox"/> Food Stamp E&T Child Care <input type="checkbox"/> TANF Child Care <input type="checkbox"/> TANF Choices

As a major information resources project, TIERS has developed partnerships with DHS program staff (including field workers), TDH, TWC, Governor’s Office, Legislative Budget Board (LBB), Quality Assurance Team (QAT), Department of Information Resources (DIR), U.S. Department of Agriculture’s Food and Nutrition Services, U.S. Department of Health and Human Services, advocacy organizations, and the vendor community. The organizational chart at the end of this section illustrates stakeholder

involvement at a high level.

The TIERS project team provides knowledge regarding State rules, policy, needs and oversight during the planning implementation stages of the project. The TIERS Project Director, with support from the Independent Verification and Validation (IV&V) vendor and oversight from the Executive Sponsor and Steering Committee, is responsible for direct management of all project activities. This includes:

- Ensuring all aspects of the project, including vendor contracts, are being appropriately managed and executed;
- Monitoring the progress of the Analysis and Design and Systems Engineering Integrator (SEI) vendors;
- Ensuring appropriate representatives from all State and local organizations participate in key decisions;
- Facilitating timely resolution of issues raised by the project participants; and
- Submitting appropriate approval documents to secure State and Federal financial participation.

The TIERS project also relies on the information technology vendor community to provide expertise in all aspects of the system development life cycle. From planning, analysis, design, construction, verification, validation, and evaluation through implementation, the State is working with experts to formulate the best solution. The expectation has been that vendors will do the bulk of the technical work while relying on DHS program, policy, and business process experts to provide key knowledge regarding the State's needs. Vendors are performing three primary services to TIERS:

- ◆ IV&V, which includes:
 - A third party review to ensure that project activities and products generate an integrated and cohesive system, regardless of the originating vendor, to effect the anticipated outcome; and
 - Monitor quality and serve in a Quality Assurance/Quality Control role to help manage and reduce project risks and report directly to agency executive management.
- ◆ Phase 0 – Analysis and Design, which includes four key components:
 - Validation of the products previously created (e.g., TIERS technical architecture);
 - Conceptual design of entire system;
 - Detailed design and construction of the initial screening function; and
 - Detailed design, construction, and implementation of the Internet version of the screening function.
- ◆ Phase 1 – Systems Engineering and Integration (SEI) and Code Construction, Training Services and Help Desk Operations for TIERS:
 - System engineering and integration;
 - Detailed design, construction, and implementation of all remaining functions
 - Pilot and statewide deployment of the application;
 - Maintenance/warranty of the application through the transition period;
 - Training; and
 - Help Desk.

The following table describes stakeholder participation in TIERS.

STAKEHOLDER	ROLE/RESPONSIBILITY
Federal Government	
<p>Department of Health and Human Services, Administration for Children and Families (ACF)</p> <p>Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), formerly the Health Care Financing Administration (HCFA)</p> <p>Department of Agriculture, Food and Nutrition Services (FNS).</p>	<p>Provide Federal Financial Participation</p> <ul style="list-style-type: none"> - Review and approve project goals and objectives. - Review and approve Advance Planning Documents (APDs). - Monitor project status and progress. <p>DHS has submitted and provided updates to a variety of APDs for the planning, development and implementation portions of the TIERS project to obtain Federal funds. The necessary approvals have been granted. DHS will continue to meet with its Federal partners on a quarterly basis to visit both regional and national offices, and to participate in ongoing conference calls to discuss and review work-in-progress.</p>
State Government	
<p>Office of the Governor</p> <p>Legislative Budget Board</p>	<p>Provide Project Oversight and Funding Authorizations</p> <ul style="list-style-type: none"> - The Governor’s Budget Office and the Legislative Budget Board review budget and project plans to ensure appropriate justification to provide approval to expend appropriated funds. - Ensure that the project meets legislative mandates to improve Texans’ access to health and human services within appropriated amounts.
<p>TIERS Legislative Oversight Committee (LOC)</p>	<p>Provides Project Oversight</p> <ul style="list-style-type: none"> - Originally established by HB 2777 - 75th Texas Legislature - for the TIES Project, this committee is responsible for reviewing recommendations for automation and programmatic changes; advising HHSC, DHS, and the TIERS Project team on development of project plans; holding public hearings concerning development and implementation of the plans; and monitoring implementation of all TIERS efforts. - Ensure that the project meets legislative mandates to improve Texans’ access to health and human services within appropriated amounts.
<p>Quality Assurance Team</p>	<p>Project Oversight for Quality Assurance and Risk Management</p> <ul style="list-style-type: none"> - Composed of staff from the LBB and the SAO, this team provides ongoing risk analysis and monitoring of the TIERS Project.

TIERS will provide all functions and services provided through DHS’ current automated systems for determining eligibility for its public assistance programs: SAVERR, Generic Worksheet and Long-Term Care Worksheet. When TIERS is completed, it will replace these eligibility determination functions. TIERS will be a web-enabled integrated eligibility determination system. Instead of a mainframe-based system operating with outdated technology, TIERS will be a flexible, scalable system that will be able to accommodate changes in state and national eligibility requirements, the addition of new applications and programs, and enhanced interfaces to other state agencies for improved data sharing.

There are no other systems currently in development in the state of Texas identical to TIERS.

DHS includes representatives from other state agencies in its efforts to ensure that project goals and objectives are achieved in an economical manner, without duplications or conflicts. An example of this

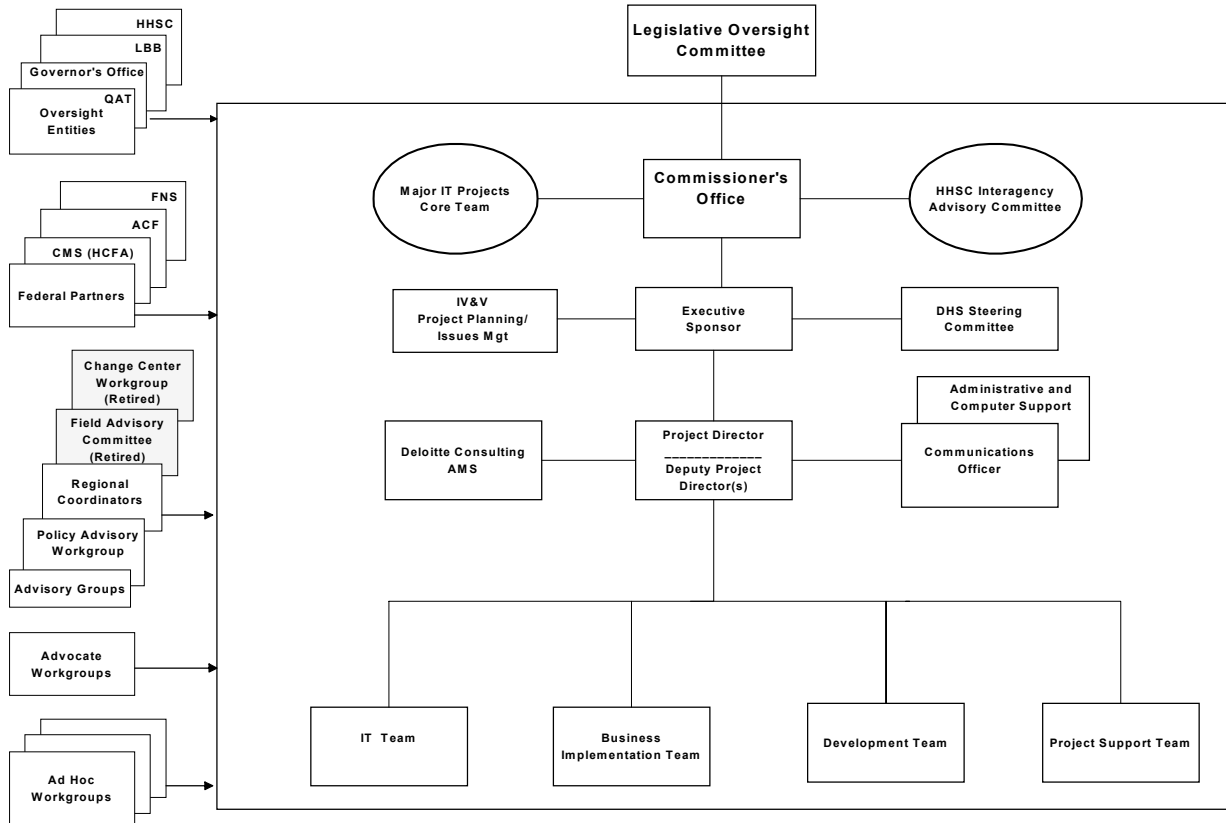
was the manner in which the Department simplified and integrated the rules and policy to be coded into TIERS.

A sampling of the committees and workgroups that have been assembled and that are actively participating in the TIERS effort includes:

COMMITTEE – WORKGROUP	ROLE/RESPONSIBILITY
<p>Advocates Workgroup</p>	<p>Provides Input from Advocates</p> <ul style="list-style-type: none"> - Represents applicants, clients, and potential clients for DHS services. - The TIERS Project Team worked closely with this group in the development and review of work products, especially in rules integration and technology performance. - This group’s involvement in the project is critical toward the design and development of an eligibility determination system providing accurate and timely benefits to Texans in need of assistance services.
<p>Interagency Advisory Committee</p>	<p>Provides Project Coordination</p> <ul style="list-style-type: none"> - Chaired by the Commissioner of HHSC, this committee provides project oversight to accommodate interfaces and policy needs of other health and human service agencies and TWC in the design and implementation of TIERS. - Other entities invited to participate include members of the QAT, LBB, and State Auditors Office (SAO)
<p>Policy Advisory Workgroup</p>	<p>Provides Leadership and Support for Policy Integration Activities</p> <ul style="list-style-type: none"> - Develops guiding principles for policy integration. - Serves as ongoing integrated enrollment policy advisors. - Assists in developing a triage approach to analysis and a framework for policy decisions. - Identifies key policy drivers and policy conflicts affecting large numbers of cases. - Develops waiver strategy. - Provides subject matter experts for policy workshops.

Additional information, including an extensive library containing historical and current documents, may be obtained by visiting the TIERS web site at <http://www.dhs.state.tx.us/programs/TIERS/>.

TIERS Project Organization



Electronic Benefits Transfer

Texas' Electronic Benefits Transfer (EBT) system utilizes the Lone Star card to electronically distribute food stamps and TANF benefits to over 500,000 cardholders at over 11,000 retail outlets across the state.

In February 1998, Transactive Corp., Texas' EBT vendor, and Citicorp Services Inc., announced an asset purchase agreement involving the sale of the Texas EBT contract and other assets to Citicorp. In January 1999, Citicorp withdrew its offer after the U.S. Department of Justice sued to block the transaction. Shortly thereafter, Transactive informed DHS that it was exiting the EBT business upon the expiration of its contract in February 2001.

In October 1998, DHS hired a consultant to perform a Texas EBT Alternatives Analysis (TEAA). This independent analysis assisted DHS in evaluating the agency's options and strategies when the current EBT contract ends. The TEAA report was issued in February 1999.

DHS chose an EBT alternative that involved acquiring certain Transactive assets (software) and selectively outsourcing other components to create a complete EBT system. DHS took an innovative, multi-vendor approach to its EBT procurement to ensure control, flexibility, affordability, and to avoid problems associated with dependence on a single vendor. In late 1999, DHS issued three Request for

Offers (central processing, retailer management, and call center). Multiple responses for each component were received in January 2000.

The EBT vendors were selected in May 2000. Northrop Grumman Technical Services, Inc. (NGTSI) will provide central processing services and, in partnership with Transaction Processing Specialists, Inc., will develop and maintain the EBT software application. Affiliated Computer Services (ACS) will provide retailer management services, including point-of-sale network for direct-connect retailers, settlement & reconciliation, and card issuance. GTECH, parent corporation of Transactive, will provide call center services. All three are five-year contracts.

DHS successfully transitioned to the new system in February 2001, realizing the primary goal of providing seamless, low-risk, transition with no disruption to delivery of Food Stamp & TANF benefits.

Adopt-A-Nursing Home

Adopt-A-Nursing Home promotes community involvement through volunteer service to enrich the quality of life of Texas nursing home residents. Groups with at least three members commit to visit a selected facility at least four times a year. Adopt-A-Nursing Home staff encourages new groups to participate, but also encourages current volunteer groups who meet the minimal criteria to "register" and be recognized. The group designates a contact person and agrees to complete the facility's orientation and training. The facility's designated contact person provides orientation and training to volunteers. Facility and volunteer group participants sign an *Adoption Agreement*. Upon receipt of the *Agreement*, DHS issues *Certificates of Appreciation* to both the adopter group and adoptee facility. (Recipients of volunteer service do not usually receive such recognition.) *Outstanding Adopters* are recognized at the DHS annual Outstanding Volunteer recognition event. Activity directors, who are the staff members that generally work with volunteers, receive acknowledgement from the program during national Activity Directors Week.

Adopt-A-Nursing Home program staff helps facilities match and place volunteer adopter groups, develop activities, explain residents' needs to potential volunteer groups, and train volunteers and staff. Technical assistance to nursing facility staff includes consulting for the appropriate use of volunteers and effective problem solving pertaining to volunteers. Adopt-A-Nursing Home staff provide information and referral services to facilities and volunteers.

Examples of training workshops include *Effective Management of Volunteers*, *Recruiting Volunteers*, *Sensory Awareness*, *Conducting an Oral History Interview* and *Alzheimer's Disease: Pieces of the Puzzle*. Through training provided free of charge with professional Continuing Education Units (CEUs), nursing facility staff receive professional development. Volunteers learn new skills and appreciation for the residents.

Program staff speaks to civic groups, faith-based organizations and schools to educate the public about the program and the realities of residents' needs. This program increases public awareness and stimulates community organizations to solve a community social problem with minimal government intervention. It does not require onerous reporting of numbers of volunteers or hours of service. The program design and implementation are simple and flexible, allowing growth and creativity while maintaining the program's initial mission and integrity. It links both for-profit and not-for-profit facilities with a wide variety of community volunteers.

Adopt-A-Nursing Home educates the public about emotional and social needs of residents, and empowers facility staff to recruit, use and recognize volunteers. The training, resource materials, speakers,

placement service and public recognition are offered as free resources, not mandates. The program reinforces the value of volunteers and the needs of residents, serving as an additional liaison between communities and facilities.

The program began at TDH in FY 1993 as part of that agency's strategic agenda for long-term care. When Long-Term Care Regulatory transferred to DHS, Adopt-A-Nursing Home was also moved. The program is under the Volunteer Services division of DHS and there are no statutory requirements for this program.

Adopt-A-Nursing Home services and functions remain virtually unchanged from the original concept. The program will always be a needed adjunct service to long-term care regulatory services. Public stereotyping of the aged and demands on people's time compound the fear and hesitancy of volunteers to make a commitment to volunteer. Adopt-A-Nursing Home allows volunteers to make a commitment that is not overwhelming while providing nursing homes with additional resources to continue linking the residents to the community.

On average, in Texas's approximately 1200 long-term care facilities, 50% of the approximately 120,000 residents have no family or surviving spouse and almost 60% have no regular visitors. It can be a lonely, frightening, boring existence. About 5% of Texans over age 65 now reside in these facilities, but one in four women and one in seven men will be residents at some time, for a brief recuperative period, or as their final abode. The average resident is an 82-year-old widow who will live in a nursing facility two years. During that time she will have one hospital stay. If she has family, they visit infrequently. The Adopt-A-Nursing Home Program serves all licensed long-term care facilities.

The statewide program is administered and supervised through the Director of Volunteer and Community Services in Regional Operations. As of June 25, 2001, there are three full-time program managers officed in Tyler, Houston and Dallas. Three volunteer service coordinators in the Edinburg region have Adopt-A-Nursing Home responsibilities in their job descriptions. A portion of three other positions officed in Regional Operations also assist in providing services. Adopt-A-Nursing Home has a national toll free telephone number and a presence on the department's web page: http://www.dhs.state.tx.us/community_partnerships/adoptanursinghome/index.html. A quarterly newsletter goes to each licensed long-term care facility, the contact person of each adopter group, as well as some other individuals and organizations across the state

Adopt-A-Nursing Home works informally with Area Agencies on Aging and the ombudsman program of the Texas Department on Aging. There are no Memoranda of Understanding.

The statewide program has not reached its full potential due to agency staffing caps. Regions without full-time equivalent Adopt-A-Nursing Home staff are under served. Not all requests for training or speaking engagements can be met.

To the best of our knowledge there are no similar programs in Texas. Other states have made inquiries with the intent of replicating the Texas Adopt-A-Nursing Home Program.

As of July 1, 2001, more than 3500 groups have adopted almost 600 facilities. Of the groups that adopt, more than 75% renew their *Agreements* for at least one year. Some groups are ready for their 8th year of participation. If a group becomes inactive, it is usually because the group is no longer organized or in business, not because they had difficulties with the experience.

More than 3,000 staff and volunteers were trained in FY 2000.

Facility staff have documented a major difference in the daily lives of residents through increased socialization, interest in personal appearance and reduced anxiety. Anecdotal stories personalize the program's impact. A volunteer comments, "As leader of a Girl Scout troop, I can see a real connection between the girls and the residents." An activity director said, "The valuable information on recruiting and retaining volunteers is paramount as we absolutely cannot run an effective program without them."

Adopt-A-Nursing Home was named a semi-finalist in the 2000 Innovations in American Government by the Kennedy School of Government at Harvard University. Former Governor Bush proclaimed an "Adopt A Nursing Home Day" during National Nursing Home Week in 1994 through 2001. The National Council on Aging recognized Adopt-A-Nursing Home on their internet web site in 1997 as an "Innovator." Adopt-A-Nursing Home received the Association of Volunteer Administration's 1997 *Organizational Service Award*. The Texas Joint Conference on Aging in 1997 presented the program with a *Special Program Award*.

Family Pathfinders

Family Pathfinders is a community-based partnership of volunteer teams from faith-based organizations, civic groups, and businesses helping families along the path to self-sufficiency. The program matches teams of local volunteers with families receiving TANF. Family Pathfinders creates active partnerships between state government, community organizations, local businesses, VISTA volunteers and families moving away from public assistance.

Teams of four to eight volunteers are trained and then matched with families on public assistance. They provide problem solving and planning skills and provide the encouragement needed to help a family to become a successful, contributing community member. The teams offer a variety of skills, resources and life experiences to help families with such challenges as negotiating with landlords, arranging childcare and obtaining donations of dental services, furniture and clothing. They also help families celebrate their children's birthdays, shop for groceries, and prepare household budgets. Providing job interview tips, helping to set up payment plans for overdue bills, and supplying rides to and from work are also ways Family Pathfinders volunteers provide support. Family Pathfinders establishes and fosters collaboration among community members in addressing the problem at a local, and even personal level.

A Train-the-Trainer program prepares local volunteer trainers to recruit and train teams within their community. Through team training workshops and Train-the-Trainer workshops initiated in FY 2000, almost 3200 volunteers have gained a clearer understanding of the realities of living on public assistance. Family Pathfinders staff also provide technical assistance in setting up advisory councils to identify community resources and mentor teams.

The Family Pathfinders program began in the Office of the Comptroller in 1996. It transferred to DHS in April of 1999. Texans who apply for public assistance services through the TANF program have from one to three years to find employment; they also face the federal five-year lifetime limit on cash assistance. Finding work is often only the first step in establishing long-term independence from public assistance. Studies have shown that half of all assistance recipients who establish employment are not able to maintain it for more than 12 months. While transitional benefits are available to families needing childcare and Medicaid services, after some months these costs will be borne by the family. Additionally, public housing rents rise with income. A myriad of unique and often unforeseeable circumstances beyond the scope of government assistance programs often places seemingly insurmountable obstacles in the pathways of families as they try to remain independent of welfare.

Family Pathfinders recognizes that while traditional government assistance programs are targeted to assure that basic needs are met, they are not designed or intended to foster the development of community

networks and support systems. Families are often economically, socially, and even geographically isolated from their communities. Family Pathfinders works to complement government programs by providing coordinated community involvement and support for families moving toward independence and self-sufficiency. There is no statutory requirement for this program.

Family Pathfinders has always been a broad collaborative of faith-based groups, civic organizations and state government with the intent of educating citizens about the impact of poverty on welfare families and on the community and mentoring clients to self-sufficiency. As the program continues to develop, it should become increasingly anchored in community-based organizations serving the clients and volunteer teams with materials, training and technical assistance provided by DHS. There will always be a need to provide assistance and support for the unmet needs of the clients on public assistance, striving for self-sufficiency.

Families receiving TANF and participating in the Choices (jobs skills training) program of the Texas Workforce Commission make up the target population for Family Pathfinders. In Texas, the typical TANF recipient is a minority single female with one or two children under age six. Currently more than 160 clients are matched statewide with Family Pathfinders teams.

- The family should consist of a parent and one or more children, and should have received TANF within the last 3 months. Two-parent TANF families are also eligible.
- It is helpful if the parent has an employment case manager who is willing to work with the team.
- The parent must be motivated to become self-sufficient and open to working with a group of volunteers.
- The parent should be aware that Family Pathfinders is not a “hand-out” program and that she will be expected to uphold her personal responsibilities.
- Parents who have completed their high school education or are within 3 months of receiving a GED should be selected before those with less education.
- The parent should be aware of the time limits set for their family to receive federal welfare benefits. Ideally those families meeting the above criteria and with the shortest remaining benefit period should be matched first.

As the numbers of TANF eligible clients change, Family Pathfinders has the program flexibility to outreach, in non-TANF, non-Choices communities to other sources, such as GED classes, for families in poverty who want a hand up moving out of poverty.

The volunteer teams of four to eight members must be from an organized congregation, civic organization or business, rather than a loosely knit group of friends. The larger organization includes members with knowledge of community resources and support. If the volunteer team accept funds or in-kind donations for assistance to the client family, the teams parent organization’s profit or nonprofit tax status is necessary.

The program is administered through regional operations in Austin with two program managers and one clerical support staff. Family Pathfinders has a grant from the Corporation for National Service for up to twenty VISTA workers officed and supervised in DHS offices or within community organizations such as Parents Anonymous, Goodwill Industries, Associated Catholic Charities and The Interfaith of the Woodlands. Besides these above-mentioned faith-based and nonprofit organizations, MOUs exist between the agency and several community action agencies and local workforce development boards. Family Pathfinders has a national toll free 1-800 telephone number and pages on the agency’s web site: <http://www.dhs.state.tx.us/communitypartnerships/familypathfinders/index.html>.

No funding transferred with Family Pathfinders beyond FY 1999. Families' success in leaving the TANF program is the most striking evidence of the program's success. As of April 1, 2001, 691 families had been matched with Family Pathfinders volunteer teams since 1997. Of those, 586 no longer receive TANF or transitional Medicaid. Eight-five percent of Family Pathfinders families have reduced or eliminated their dependence on public assistance. With additional funding and staffing, outreach effects throughout the state could be expanded and more clients served.

We know of no similar programs that provide the consistent training, materials and technical assistance. A smaller program in Alaska has replicated Family Pathfinders.

The comments of program participants provide evidence of family success. A single mother now employed by the local school district says, "I don't know where I'd be today if it wasn't for Family Pathfinders. I learned things I didn't expect to, especially the interaction with people who cared about me and my family. I'm never going back to where I was before." Her children, formerly in after-school detention, are now members of the Honor Society and their once unfinished house is now truly a home, thanks to a home improvement workday initiated by the Family Pathfinder team that sponsored her.

Continued community support is a second important measure of program success. As of April 1, 2001, there are more than 160 active teams from 115 diverse faith-based organizations, 36 civic groups and 21 businesses. Since the inception of Family Pathfinders in 1996 the program continues to be supported by Lions Clubs International of Texas, Catholic Charities and Global Ministries of the United Methodist Church. Many organizations that chose to participate in 1996-1997 still have active teams, continuing to help additional families, beyond their original one-year commitment.

Family Pathfinders is invited to a Corporation for National and Community Service conference and a Department of Labor Regional meeting in the fall of 2001.

Family Pathfinders was named a semi-finalist in the 1999 and the 2000 Innovations in American Government by the Kennedy School of Government at Harvard University.

On May 13, 1998, Family Pathfinders was recognized as the Daily Point of Light No. 1115 for its demonstration of unique and innovative approaches to community volunteering and citizen action.

On May 29, 1997, the vice-president, in a White House ceremony, recognized Family Pathfinders during the first of a series of welfare-to-work symposiums as a model worthy of replication throughout the United States.

Volunteer and Community Services

The mission of Volunteer Services is to enhance human services through community involvement. The goals and functions are:

1. Recruit, train, manage, and recognize volunteers to develop resources to meet client needs and assist in the delivery of services.
2. Develop collaborations and partnerships to enhance services.
3. Increase community awareness and appreciation of the department's services.
4. Provide opportunities for personal and professional growth

Examples of activities volunteers participate in are:

- teaching valuable skills that will help someone find a job;

- becoming a mentor;
- organizing career apparel closets;
- becoming a resource room facilitator;
- visiting elderly or disabled people at nursing homes;
- provide food or transportation for families struggling to break the cycle of family violence;
- interpret for non-English-speaking clients;
- repairing or adapting a disabled person's home, and;
- helping staff in local DHS offices by answering phones, organizing files, or assisting caseworkers.

Volunteer Services has been an integral part of the department for more than 25 years. In FY 2000, approximately 97,518 volunteers performed 805,764 hours of service. Using the nationally recognized Independent Sector, non-agricultural wage equivalent of \$14.30, volunteers' service was valued at \$11,925,307. Cash donations totaled \$124,713. In kind contributions totaled \$694,682. It is difficult to imagine that the mission of Volunteer Services will no longer be needed.

Interest and opportunities for collaborating with community groups and individuals have increased, consolidating volunteer and community services as *Texas Partners*. More information can be found on the DHS web site at <http://www.dhs.state.tx.us/communitypartnerships/index.html>.

Texas Partners includes:

- Volunteer Services, enhancing human services through community involvement
- Adopt-A-Nursing Home, promoting community involvement through volunteer services in long-term care facilities,
- Family Pathfinders supporting volunteer teams assisting families on the path to self-sufficiency,
- Faith-based liaisons working with faith-based organizations at the regional level providing community services to Texans in need, and
- Charitable Choice, expanding the involvement of faith-based and community organizations in the public self-sufficiency effort while protecting the rights of beneficiaries and service organizations.

Regional operations' Volunteer Services has oversight of the policies, materials and technical assistance for the program. The director of volunteer and community services provides leadership for the regional directors of volunteer and community services who are directly supervised by regional administrators. Within each region it is up to the discretion of the regional administrator to determine whether there are also other volunteer services coordinators and under what supervision. Within each DHS office across the state, there may be some staff whose duties include the supervision of volunteers assisting other staff.

The regional directors of volunteer services/community services are also considered the faith-based liaisons and are generally the points of contact for inquiries about Charitable Choice and Faith-based and Community Initiatives. Volunteer Services has a site on the department's web page.

<http://www.dhs.state.tx.us/communitypartnerships/volunteer/index.html>

Information about Faith-based liaisons web site is:

<http://www.dhs.state.tx.us/communitypartnerships/faith-based/index.html>

The department's Charitable Choice web site is:

<http://www.dhs.state.tx.us/communitypartnerships/charitable/index.html>

Also available is a "how to guide", *You Are the Difference: Start-Up Kit* designed to help individuals, families, and organizations that want to start a human services project.

The department has a grant from the Corporation for National and Community Service AmeriCorps/VISTA program for VISTA workers with the Family Pathfinders program. Some regions have agreements with STEP (Senior Texans Employment Program), RSVP (Retired Senior Volunteer Program), local workforce development boards, and city senior employment programs to provide volunteers.

Volunteer Services plays a major role in connecting the community with the department and forming effective relationships. We respect communication and input from our volunteers in order to provide quality customer service.

DHS is a recognized leader locally, statewide and nationally as part of the solution, rather than a problem or barrier in meeting the variety of needs of our clients. We receive phone calls, e-mails and letters from government agencies, nonprofit and faith-based organizations from other states that are interested in implementing or replicating some of our programs.

Texas was the only state given an A+ rating by the Center for Public Justice in the implementation of Charitable Choice.

Community Alzheimer's Resources & Education

The Community Alzheimer's Resources & Education (CARE) Program is a public/private partnership, providing a full range of services including outreach, education, case management, care planning and service delivery for persons with Alzheimer's disease (AD) or related dementia and their caregivers. DHS CARE staff is co-housed with their local private partner, usually the Alzheimer's Association. CARE staff perform individual case work as well as support the local CARE group, a community resource coordination group composed of representatives from community agencies involved with Alzheimer's disease.

These services are available to any resident or legal alien living in a CARE area who is dealing with AD or a related dementia. Current CARE locations are Fort Worth, El Paso, Lubbock, Corpus Christi, Tyler, Stafford, Harlingen and San Antonio.

Local Innovation Projects

House Bill 1, 76th Texas Legislature, authorized the use of \$12 million TANF block grant to funds for two initiatives under the DHS "Barriers Project". Through these projects, local faith-based and community organizations are providing services to overcome barriers to employment across the state. A total of twenty-nine (29) projects were approved to provide services at the local level. These projects were designed to operate for one year with a second year optional, contingent on satisfactory performance. Services targeted by the projects include services to victims of domestic violence, non-residential services for victims of domestic violence, chemical abuse and dependency prevention and counseling (non-medical services), adult literacy and English as a Second Language (ESL) classes, and services to youth in low income families that encourage them to finish school, avoid pregnancy, and/or become employed.

The balance of the barriers funds is allocated to the "Employment Retention and Advancement" (ERA) Project.

Employment Retention and Advancement

The Employment Retention and Advancement (ERA) model incorporates two research-based retention

and advancement strategies to address the need for long-term self-sufficiency among Texas TANF families. The ERA model is being piloted in four locations: Fort Worth, Corpus Christi, Abilene, and Houston. The pilot was initiated and developed with funding from the U.S. Department of Health and Human Services, Administration for Children and Families. Texas became one of 13 states awarded the planning grant to develop strategies that foster job retention and advancement for TANF recipients. The project is designed to increase job stability and wages among former welfare recipients. It is also expected to reduce reliance on cash assistance in Texas, lower the TANF recidivism rate, and produce strategies that can be replicated in other Texas communities.

The ERA model tests two retention and advancement strategies: 1) team-based case management and 2) a post-employment stipend. Each ERA participant receives intensive team-based case management that focuses not only on initial job placement but beyond to facilitate job retention and advancement. The team includes a Department of Human Services (DHS) eligibility worker, a Choices worker, and an additional local case manager contracted by the Local Workforce Development Boards (LWDBs). Together, this team provides the following array of services: Employability Assessment, Participant Advocacy, Client Education, Benefit Error Resolution, Long-Range Goal Setting, Sanction Mitigation, Service Brokering, Outreach to Participants, Employment and Post-Employment Service Planning, and Coordination with Local Businesses.

In addition, ERA participants can receive a \$200 payment each month for up to 12 months to assist with the additional expenses associated with post-employment activities (e.g., child care, transportation, clothing, etc.) The stipend is being offered to mitigate those common barriers to maintaining employment and post-employment activities that many former TANF recipients face, such as lack of evening child care and inadequate and reliable transportation. To receive each payment, participants must be in compliance with their post-employment plan and must be employed at least 30 hours per week or employed at least 15 hours per week and participating in a qualified work activity for at least 15 hours per week.

ERA is a collaborative effort from the planning through the implementation phase. DHS worked in conjunction with the TWC, the LWDBs, and other local stakeholders to finalize the design of the ERA Project. In addition, the LWDBs worked closely with local DHS offices to implement the ERA program. This collaboration enables ERA to establish continuity between the Eligibility process and the Workforce Orientation, which has not existed previously. In addition, each site took into account the local current service delivery system, the local labor market, and the needs of local employers in order to implement a program that would meet the needs of the client and the community.

The ERA Project in Texas has been chosen by the U.S. Department of Health and Human Services, Administration for Children and Families, to participate in a high profile national evaluation. Manpower Demonstration Research Corporation (MDRC) is conducting the five-year random assignment evaluation. Texas is currently one of the first two states out of eight states to have its program developed and ready to be evaluated.

Vendor Fiscal Intermediary Option

DHS is implementing a new payment option for Personal Assistance Services and Respite Services in home and community-based programs. The new payment option, referred to as the Vendor Fiscal Intermediary (VFI) Option, allows individuals the option of becoming the employer of record for their attendants and respite providers. The individual assumes responsibilities of an employer and is able to designate a willing responsible party to assist with those duties. A VFI Agency is selected and performs the fiscal and intermediary roles for the employer (withholding deductions, making deposits with state

and federal agencies for taxes, etc.)

The option offers consumer-directed and consumer-managed home and community-based services to clients in DHS programs and reinforces the Medicaid statute which is premised on the principle that each beneficiary of service has the right to choose his or her own health care provider.

Senate Bill 1586, 76th Texas Legislature, established the concept of consumer-directed services in Texas' health and human services programs. This bill established a workgroup at the Health and Human Services Commission composed of representatives from HHSC, DHS, MHMR, TDH, and TRC. The workgroup will also include consumers of services provided under the voucher payment pilot project, persons with disabilities (which includes persons with mental illness and persons with mental retardation), advocates for persons with disabilities, and providers of services to be provided under the voucher payment program.

The Consumer Managed Personal Assistant Services (CMPAS) program currently has a VFI model available to clients in this Social Services Block Grant/State Funds program as a pilot program for the VFI Option.

The payment option is scheduled to be implemented in the Community Living Assistance and Support Services (CLASS) program and the Program for People Who Are Deaf-Blind with Multiple Disabilities (DB-MD), both 1915(c) Medicaid waiver programs in September, 2001. The VFI Option will be extended into other DHS Community Care programs during FY 2002.

Alternative Contracting Initiative

Alternative Contracting Initiative (ACI) explores the development of alternative contracting systems for community care services as requested by the DHS Board. ACI will implement proposed contracting revisions for Primary Home Care (PHC) and Community Based Alternatives – Home and Community Support Services (CBA-HCSS). In addition, staff has expanded development to encompass all community care contracts to ensure consistency in contract monitoring in regions and adequate procedures and documentation in support of findings. ACI is investigating options for additional development of performance based contracting.

Health Insurance Portability and Accountability Act

Health Insurance Portability and Accountability Act (HIPAA) is a comprehensive federal law designed to standardize and secure health information. The law's components will be implemented in phases beginning in 2002. DHS is working with HHSC and other health and human services agencies to prepare for implementation. HHSC is seeking an amendment to the National Heritage Insurance Company (NHIC) contract to provide for a gap analysis/assessment and estimate of HIPAA implementation costs.

VII. Agency Performance Evaluation

A. What are the agency's most significant accomplishments?

DHS implemented new policies and procedures to improve client access and service delivery:

- ✓ DHS established a procedure to expedite Medicaid eligibility for pregnant women. At the end of FY 1999, 69.38 percent of women were approved for services. That rate increased to 72.51 percent in FY2000.
- ✓ The agency extended office hours in selected offices statewide beginning in January 2000. Currently more than 80 offices offer extended hours.
- ✓ DHS employees have been located in medical facilities, such as hospitals, to improve access to services, including Medicaid.
- ✓ The Department established a Compact with Texans, a covenant between the agency and the people of Texas, which lists agency programs, describes how to access services, outlines the complaint process, and explains how the agency handles inquiries.
- ✓ A more client-friendly application for Temporary Assistance for Needy Families (TANF), food stamps, and Medicaid was developed and implemented statewide. The application was developed by a workgroup that included regional and state office staff, consumer advocates, staff from other agencies and legislative staff.
- ✓ The Quality Reporting System (QRS), a web-based tool that helps families consider various nursing facilities across the state, was launched on the agency's Internet site in December 1999.
- ✓ State of Texas Assistance and Referral System (STARS), a product of the TIERS project, allows clients to screen themselves for potential eligibility for human services programs on the Internet.
- ✓ The Home and Community Support Services Agencies (HCSSA), the Personal Attendant Services (PAS), and Deaf Blind with Multiple Disabilities (DB-MD) programs successfully transferred to the agency with no disruption in services.
- ✓ A quality of care measurement methodology was developed to assess long-term care provider performance regarding specific care issues.
- ✓ The Department ensured that each long-term care facility in bankruptcy continued to make available sufficient food, medicines, and medical supplies, as well as staff to provide for proper resident care.
- ✓ The Department contracted with the Texas Association of Community Action Agencies to develop and conduct outreach for the food stamp program.
- ✓ The Department worked with HHSC, TDH and the CHIP administrator to develop a process to facilitate CHIP enrollment for families who contact DHS offices. This process has resulted in over 140,000 children being deemed eligible for CHIP.

The Department fosters collaborations to improve service delivery:

- ✓ The Employment Retention and Advancement (ERA) project was designed to increase job stability and wages among former welfare recipients. ERA is a collaborative effort of local DHS offices, TWC and Local Workforce Development Boards (LWDBs) and is currently operational in Abilene, Corpus Christi, Fort Worth and Houston.
- ✓ The Department awarded grants to local innovation projects designed to help eliminate barriers to long-term employment success that many DHS clients face.
- ✓ In partnership with the North Texas Food Bank and Catholic Charities, the agency implemented the Commodity Supplemental Food Program (CSFP) to reduce the incidence of hunger for women, infants and children as well as people older than age 60. The USDA approved the agency to serve 5,000 households – 1,500 older Texans and 3,500 families. The CSFP is now

operating in eight of the poorest areas of Dallas.

The Department continues to improve administrative efficiency and effectiveness:

- ✓ The agency ensured a seamless transition from the previous EBT system that was provided by Transactive, a full-service vendor, to the current system. In the current system, the Department, in partnership with three vendors, delivers EBT services. This system is designed to accommodate other state programs and services that may be added to EBT in the future.
- ✓ The Department has gone from facing a multi-million dollar federal sanction for its food stamp payment error rate, to earning \$76.2 million over the past three years in enhanced federal funding for exceptional food stamp payment accuracy.

<p>B. Describe the internal process used to evaluate agency performance, including how often performance is formally evaluated and how the resulting information is used by the policymaking body, management, the public, and customers.</p>
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The Department currently performs an annual survey to evaluate customer service delivery and conducts annual mystery shopper evaluations. These two customer service performance evaluations are described in greater detail under item F.

A new management project is being initiated for FY 2002, called Managing for Success. This project will establish an integrated process that results in products to gauge agency successes and systems for collecting and analyzing information about performance that will support decision-making and reporting.

Specifically, procedures will be developed and implemented, along with a purchased software tool that will enable:

- improved ability to track and analyze results of performance measures
- improved efforts to attain 80% performance targets on key measures
- improved quality of data collection, documentation and reporting processes
- improved access to data for analysis and improved analytical capability
- improved processes for utilization of performance information in decision-making
- improved quality of performance measures

It is the intent of the Legislature that appropriations made to each agency be utilized in the most effective and efficient manner possible to achieve the intended mission of the agency. Consequently, since the early 1990s, the state's Appropriations Act has included key performance measures along with a specific service level (target) that the agency is expected to achieve with the appropriated funding.

Shortly after targets are established for each of the key performance measures included in the Appropriations Act, DHS reviews the values and determines whether or not they are realistic given various adjustments to the funding levels that result from Rider adjustments and funding transfers between agencies. For those targets that appear to be unrealistic, a written justification for revision is submitted to the Legislative Budget Board (LBB) and the Governor's Office for Budget and Planning (GOBP) for review and approval.

DHS submits a key performance measures report each quarter to the LBB, GOBP, and State Auditors Office (SAO) through the LBB's ABEST (Automated Budget and Evaluation System of Texas) under guidelines developed by these entities. Tolerance levels have been established by the LBB, and an explanation of the variance is provided for each measure outside of tolerance.

A summary document is prepared for the Commissioner, Executive Deputy Commissioner, Chief Financial Officer and the Budget Director. This document highlights areas where improvement is needed. During FY 2001, these summary documents have been discussed during the weekly Executive Staff meeting and periodic monitoring of current service delivery. They provide Management with an early warning of potential funding shortfalls and lapses. In addition, they are a mechanism for influencing and supporting future planning, resource allocation, and operational decisions.

<p>C. What are the agency's biggest opportunities for improvement?</p>

Improve Long Term Care Regulatory's Tracking of Enforcement Activities

The Long Term Care Regulatory (LTCR) CARES (Compliance Assessment Regulatory Enforcement System) project will result in a comprehensive system to enable LTCR to effectively track, manage, and report information about long term care facilities, complaints, investigations, and enforcement actions. The new system will provide the following functions: facility licensing and certification tracking, facility surveys, tracking of inspections, investigation, enforcement, complaint tracking, formal and informal appeals, and most state reporting. Federal reporting will be handled through auxiliary systems.

Agency staff will be able to use the LTCR program data more efficiently for budgeting, planning, and forecasting purposes. Sharing the data with legislators, residents and their families, the media, and other state and federal agencies will also be facilitated through the LTCR project.

The project is presently in enhancement mode. The major activities of the CARES project currently focus on enhancements to the Facility Enrollment and Customer Services modules, CARES application reporting and Central Data Repository (CDR) reporting. HCSSA reporting is included in the CDR reporting effort.

Streamline the Eligibility Process

Senate Bill 43 of the 77th Texas Legislature, directed the Department to streamline the Medicaid eligibility process for low-income children. This Medicaid simplification bill included provisions that require the application form and procedures for children's Medicaid to be the same as CHIP, eliminates the face-to-face application interview and allows application by mail and re-certification by mail/phone. Implementation of these provisions will increase access for children.

Articulation of Challenges to the Public, Other Agencies and Agency Constituencies

The department serves a broad range of clients including low income children, adults and families through such programs as TANF, Food Stamps, Medicaid, Long-term care services, the regulation of Long-term care facilities, Family Violence services and services to Refugees and Immigrants. Meeting the needs of clients while acting as public stewards presents challenges in a state as diverse as Texas. The agency must articulate the challenges presented in providing services in an efficient and effective manner not only to the general public, but also to other agencies and their constituencies. An example of this challenge and the opportunity to clarify issues around the provision of services is the inter-relatedness of the Medicaid program. The department determines eligibility for children's and family Medicaid; the policies surrounding the eligibility determination have a direct impact on the TDH's responsibilities in the provision of acute care services. Communication between the two agencies is critical to the operation of the state as a whole. Another example is the agency's role as regulator for long-term care facilities. It is important to recognize and understand the challenge in assuring the health and safety of residents in a nursing home, while considering the needs of a community and the families whose loved ones reside in

the facility.

Improved Community Relationships

Texas is a diverse state, not only geographically, but also demographically. Differences between rural and urban lifestyles often result in the need to provide services unique to the local area. At the same time, local communities are most able to identify the needs of the area. Gaps in coverage, duplication of services, etc. are most readily defined at the local level. DHS must continue to function as an integral part of the service community. Currently, DHS participates along with other health and human services agencies, in local community forums hosted by the Health & Human Services Commission. Other collaborations involve participation in Community Resource Coordinating Groups throughout the state; formal and informal contracts and agreements with community organizations and/or providers for services which range from welfare avoidance to family violence services to employment services for refugees; and coordination of volunteer services. As the state's welfare to work activities move more and more effectively to local level control, the relationship between the agency and Local Workforce Development Boards becomes critical to meeting the goals for moving TANF recipients to work and on to self-sufficiency. Services offered through the agency's community based programs often require coordination and collaboration with organizations at the local level, including TDoA's ombudsman program and the local Areas on Aging. Improving community relationships must be a continuous goal of the agency in order to assure effective and efficient service delivery for the department's clients.

Preparing Staff for Agency Leadership

In 1999, the department examined the possible impact of a high turnover of experienced staff. The department found that approximately 10% of the agency's workforce was eligible to retire by 2001. Although the department routinely deals with the loss of experienced staff, it has not experienced the current number of staff meeting retirement age and tenure requirements at the same time.

In order to address the possibility of losing a high number of tenured staff, the department began developing a systematic process for maintaining continuity in leadership and service quality within the department by creating pools of staff qualified for advancement to positions of greater responsibility. The mission of this initiative is to have the right people, with the right skills, in the right place, at the right time.

The agency began development of a program in April of 2000 to respond to issues arising from key staff leaving the agency, as they became eligible for retirement. Currently, the program works on two tracks:

1. Self-Directed Track: This track is designed for anyone who is interested in personally taking charge of his/her career; and
2. Certification Track: This track is an intensive program of leadership development, designed to prepare staff for succession to the highest levels of responsibility within the Department.

The department is constantly evaluating the needs of its future workforce. As this initiative evolves, the department will assess its performance, and adjust the program as necessary.

Customer Service

The 76th Legislature passed SB 1563, which focused state agencies on customer service. DHS has responded to the intent of this legislation by implementing a variety of initiatives. The department implemented a web-accessed accomplishment and complaint tracking system called TRACS (Texas Regional Accomplishment and Complaint System) which provides for intake of both inquiries and complaints and stores the information in a database. The database can be queried in a variety of ways providing useful information to managers, executives and others. Statewide rollout began in June of 2001.

The department also has established an office of Customer Service which continues to explore opportunities to improve customer service. These efforts includes consolidation of hotlines to improve tracking and reporting of calls, development of performance measures to standardize assessment of our services, and exploration of various technologies to improve the agency's ability to enhance customer service.

Although these initiatives are having a positive impact on the quality of service delivered by department staff, the department's front-line workers are constantly challenged to meet high workload demands. The department will continue to explore ways to efficiently utilize existing resources and new technologies to meet those demands.

D. How does the agency ensure its functions do not duplicate those of other entities?

Collaborative planning is a process utilized by DHS to assist in preventing duplication of services among similar services or services provided by different agencies to the same population of clients. This collaborative planning includes joint planning efforts among the various health and human service agencies, led by HHSC in the development of the Coordinated Strategic Plan for Health and Human Services. This Coordinated Strategic Plan focuses on the holistic view of the health and human services system, and specifically seeks to address duplications or gaps in services, as well as improvements needed to the overall system in order to improve access and delivery of services to Texans. Additional joint planning efforts exist with individual state agencies related to specific program needs (like Promoting Independence, TDoA, MHMR, etc.).

E. Are there any other entities that could perform any of the agency's functions?

In order for other agencies to assume DHS functions, it would be necessary to transfer divisions and field staff.

F. What process does the agency use to determine customer satisfaction and how does the agency use this information?

An ongoing customer satisfaction survey was implemented to ensure that Long-term Care Regulatory employees perform their duties in a professional and courteous manner. Facilities are surveyed to determine how facility management views the DHS survey staff. Positive comments were received from facilities 97 to 99 percent of the time.

In 2001, the agency released two separate reports evaluating customer service delivery. The first study, a mail survey, was conducted by the University of North Texas Survey Research Center. The results of the mail survey are statistically valid state-wide. There were 3,500 Long-Term Care and 3,600 Texas Works clients surveyed and 65.2% of those responded. The second study, a mystery shopping assessment, was

performed by Business Resources, Inc, a firm that conducts mystery shopping for a variety of private businesses and public agencies. The results of the mystery shopping evaluation provide a snap-shot view of a point in time rather than statistically valid data. Mystery shoppers visited 100 Texas Works offices and made 204 telephone contacts with Texas Works offices. Both of these studies addressed our customers’ perception of our service delivery, not the effectiveness of our programs. The study found that overall, the agency is doing quite well in customer service and satisfaction.

Summary of findings from mail survey:

<u>Topic</u>	<u>Percent Positive Response</u>
Office hours	95.5
Office location	92.7
Office cleanliness	92.5
Respect	91.2
Got services when needed	90.6
Understandability of written materials	89.3
Got help with paperwork	89.1
Overall treatment	87.9
Clear answers to questions	87.6
Timely telephone answering	70.3
How to make a complaint	58.7
Able to access information from Internet	14.4

The average satisfaction score for telephone evaluations was 88.8% and the overall average score for in-person customer service was 89.77%.

These studies reveal areas on which to focus on for further study and improvement. The DHS Customer Service Advisory Workgroup has been charged with addressing three specific areas for improvement identified by the studies: automated phone systems; wait times (both phone and in-person); and the complaint process. The studies are part of the agency’s broad customer service initiative. In an effort to enhance customer service, the agency has implemented 1-800 telephone line technology and training improvements; established customer complaint and compliment lines in some regions; and developed an automated complaint tracking system.

Community care staff conduct client satisfaction surveys. Information is used to identify need for corrective action with specific providers, service plan changes and systematic problems.

G. Describe the agency’s process for handling complaints against the agency, including the maintenance of complaint files and procedures for keeping parties informed about the process. If the agency has a division or office, such as an ombudsman, for tracking and resolving complaints from the public or other entities, please provide a description.

DHS is committed to providing outstanding customer service to every person that comes in contact with the agency. The department has set up procedures to help resolve customer complaints in an effective and efficient manner.

If a person has a general complaint, they may contact their local DHS office or the centralized Information and Referral (I&R) Unit located in Austin. They can call the I&R Unit at (512) 438-3280 (voice) or contact them through one of the following:

MC W-231
701 W. 51st Street
P. O. Box 149030
Austin, Texas 78714-9030

1-(888) 834-7406
Fax: (512) 438-5538
TDD: 1-888-425-6889
E-mail: mail@dhs.state.tx.us

If a customer has a specific complaint about:

- **Services they received in a local DHS office**, they may call the regional headquarters office that oversees the office they are complaining about. If they do not know the name and phone number of the appropriate person to contact at the headquarters, they may call the Office of the Deputy Commissioner for Regional Operations at state headquarters in Austin at (512) 438-4804 (voice).
- **Rude or unfair treatment or discrimination based on race, color, religion, national origin, sex, age, political beliefs, or disability**, they may call the Civil Rights office in the region in which they live or the Civil Rights Division at state headquarters in Austin at (512) 438-4313 (voice) or (512) 438-2960 (TDD).
- **Care received in a nursing facility or other type of long-term care facility or institution**, they may call one of the department's toll-free numbers. For complaints about home health agencies, call 1-800-228-1570 (voice) or 1-888-425-6889 (TDD). For all other facility complaints, they can call 1-800-458-9858 (voice) or (512) 438-4023 (TDD).
- **Someone who is fraudulently receiving DHS benefits or services**, they may call the agency's toll-free fraud hotline at 1-800-436-6184 (voice) or 1-888-425-6889 (TDD).

After a complaint has been filed, the agency will provide regular status reports until it has been resolved, unless notification could potentially jeopardize an official investigation.

The individual offices that receive the complaints maintain their own complaint files. The state headquarters also maintains complaint files, as well as logs of fair hearings, contested cases and grievances. In February 2001, the agency began using a new system to track complaints called the Texas Regional Accomplishment and Complaint System (TRACS).

- TRACS is a state-wide, web-accessed accomplishment and complaint tracking system.
- TRACS provides for intake of both inquiries and complaints and stores the information in a database. This database may then be queried in a variety of ways providing useful information to managers, executives and others.
- TRACS will meet requirements for USDA reporting, SB 1563 of the 76th Texas Legislature and other reporting activities.

Within DHS state office, there are three specialized units that handle complaints as listed below:

Information and Referral (I&R)

- The Unit is composed of four specialists with vast knowledge of the policies and procedures of DHS and its programs. Specialists will respond within two to three days to most inquiries and complaints. Special situations requiring responses from field offices or other program areas or agencies may require additional time.
- The I&R Unit is the principal point of contact for legislative and public official inquiries. It is also the point of contact for other agencies and states.
- The Information and Referral Unit can be reached for questions and comments about DHS at (512)-438-3280 or 1-888-425-6889 (TDD).

Texas Works/Customer Service Hotline

- The Texas Works Hotline receives and responds to inquiries and complaints involving any of the Texas Works programs and/or offices.
- The Texas Works Hotline will soon be merged with the Customer Service Hotline allowing clients to inquire about any service or program provided by the Department.
- The DHS Customer Service Hotline can be reached at 1-888-834-7406. Calls will be handled by a customer service representative who will either provide the necessary information or ensure that the customer receives the requested data.
- The Customer Service Representative in State Office has the capability of a conference/transfer to a regional customer Service representative should this become necessary. The state office representative will stay on the line with the customer until the regional contact takes over the responsibility for the client's inquiry.
- The Texas Works Complaint Hotline can currently be reached at 1-800-252-9330.

Long-Term Care Regulatory Customer Service

- The LTCR Customer Service complaint hotline receives consumer/public complaints against nursing facilities, adult day care facilities, intermediate care facilities for the mentally retarded, and home and community support service agencies.
- Complainants are provided a ticket number to use in tracking the progress of the investigation.
- Complaints and facility-reported incidents are investigated within timeframes ranging between 24-hours and 45-days, depending on the seriousness of the complaint or incident.
- The results of the investigations are shared with the complainants.

H. Please fill in the following chart. The chart headings may be changed if needed to better reflect the agency's practices.

Texas Department of Human Services Exhibit 15-A: Fair Hearings		
	FY 1999	FY 2000
Number of fair hearings pending from prior fiscal year	2,389	2,555
Total Number of Fair Hearings	20,722	24,135
Disposition		
Withdrawn, no change	3,870	4,832
Reversed-Benefits Due	1,041	1,179
Dismissed	6,952	9,002
Withdrawn in Favor of Appellant	589	605
Reversed-Info Needed	1,829	1,728
Reversed-No Benefits Due	722	679
Sustained	5,651	5,953
Transfer	65	151
Out of Jurisdiction	3	6
Average time period for resolution of a fair hearing	41 days	41 days

Texas Department of Human Services Exhibit 15-B: Contested Cases & Grievances		
Contested Cases and Grievances received:	FY 1999	FY 2000
Adult Foster Care	0	1
CLASS	2	3
Day Activity/Health Services	6	6
EBT	1	0
Food Program	16	18
Nurse Aide Registry	41	53
Medication Aide	10	3
Medicaid Provider Exclusion	0	0
Intermediate Care Facility	43	24
Nursing Home	433	531
Personal Care Home	27	22
Primary Home Care	8	27
Social Services	0	0
Community Based Alternatives	3	3
Personnel Grievances	47	35
Total	637	726
Disposition		
Withdrawn by Petitioner	51	106
Withdrawn by Respondent	26	104
Sustained	59	61
Reversed	7	6
Reversed in part/sustained in part	2	1
Settled	173	110
Dismissed by Administrative Law Judge	5	3
Pending	314	335
Time Period for Resolution		
Average number of days to resolution (from date appeal is received to date of decision):		
Adult Foster Care	0	113
CLASS	35	86
EBT	0	193
Medicaid Provider	0	0
Intermediate Care Facility	65	177
Nursing Home	170	235
Primary Home Care	111	134
Community Based Alternatives	126	40
Grievances	166	156
Food Program	79	80
Nurse Aide	117	114
Medication Aide	109	156

I. What process does the agency use to respond to requests under the Public Information (Open Records) Act?

Any employee in DHS can receive an open records request and release public information or send the request to the appropriate person to handle. The office of general counsel has attorneys who are experts in the Public Information Act and who are available to answer questions, train employees and otherwise assist employees with open records issues. If the agency believes that requested information is exempted from public release and an attorney general open records decision is necessary, the office of general counsel will draft a request for an open records decision to send to the attorney general.

J. Please fill in the following chart with information that is as current and up-to-date as possible:

Texas Department of Human Services		
Exhibit 16: Contacts		
Interest Groups		
(groups affected by agency actions or that represent others served by or affected by agency actions)		
Group or Association Name/ Contact Person	Address	Telephone Number Fax Number E-mail Address
ADAPT, Inc. Bob Kafka	1339 Lamar Square Dr Suite B Austin, Texas 78704	Phone: 512-442-0252 Fax: Email: bkafka@juno.com
Adult Day Care Association of Texas Paul Fairbrother, Director	4214 Tallowood Austin, Texas 78731	Phone: 512-343-0018
Advocacy, Inc. Mary Faithfull	7800 Shoal Creek Blvd Suite 171-E Austin, Texas 78757	Phone: 512-454-4816 Fax: 512-323-0902 Email: infoai@advocacyinc.org
Advocate for Children and Older People Mary Lee Harris	1708 Egger Avenue Round Rock, Texas 78664	Phone: 512-255-6659 Fax: 512-218-1955
Advocates for Quality Care Nancy Kinsel	1906 Hollister Houston, Texas 77080	Phone: 713-465-7272
Alzheimer's Disease Association Gail Harmon, Executive Director	3710 Cedar Street #120 Austin, Texas 78705	Phone: 512-454-5476 Fax: 512-451-3110 Email: gail.harmon@alz.org
American Association of Retired Persons Candice Carter	98 San Jacinto Blvd. Suite 750 Austin, Texas 78701	Phone: 512-480-9797 Fax: 512-480-9799 Email: npowler@aarp.org
Arc of Texas Michael Bright, Executive Director	1600 West 38 th Street Suite 200 Austin, Texas 78731	Phone: 512-454-6694 Fax: 512-454-4956 Email: mbright@thearcoftexas.org
Association for Retarded Citizens Child Care Choices Donna Thompson, Ph.D., Director	13430 West Avenue San Antonio, Texas 78216	Phone: 210-490-4300 Fax: 210-490-5196
Associates for Nursing Home Reform Marie Wisdom	16908 South Ridge Lane Austin, Texas 78734	Phone: 512-266-1961
Austin Resource Center for Independent Living Ron Rocha, Executive Director	5555 North Lamar Suite J125 Austin, Texas 78752	Phone: 512-467-0744 Fax: 512-467-2417 Email: arcil@arcil.com
Beverly Enterprises Sharon Flippen	5301 Duval Road #100 Austin, Texas 78727	Phone: 512-345-0939
Brain Injury Association of Texas Larry Swift	1339 Lamar Square Dr., Suite C Austin, Texas 78704	Phone: 512-326-1212 Fax: 512-326-8088 Email: infobox@BIATx.org
Center for Public Policy Priorities – Anne Dunkleberg, Patrick Brouette	900 Lydia Street Austin, Texas 78702	www.cppp.org 320-0227
Coalition of Texans with Disabilities Dennis Borel, Executive Director	316 West 12 th Street #405 Austin, Texas 78701	Phone: 512-478-3366 Fax: 512-478-3370 Email: cotwd@io.com
Council on Independent Living	4905 Center Park Blvd. San Antonio, Texas 78218	

Texas Department of Human Services		
Exhibit 16: Contacts		
Interest Groups		
(groups affected by agency actions or that represent others served by or affected by agency actions)		
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Crockett Resource Center for Independent Living Cheryl Bass	P.O. Box 875 Crockett, Texas 75835	Phone: 409-544-2811 Fax: 409-544-7315
Deaf-Blind Multi-Handicapped Association of Texas Norman McCallum, Executive Director	3626 North Hall Street #618 Dallas, Texas 75219	Phone 214-520-6800 MacTaurus@aol.com
Directors Association of Texas Centers for Independent Living John Meinkowsky, Executive Director	5555 N. Lamar Suite J-125 Austin, Texas 78751	Phone: 512-467-0744
Disabilities Services of the Southwest (DSSW)	P.O. Box 330789 Fort Worth, Texas 76163	Phone: 817-292-0667 Fax: 817-292-3550
Disability Policy Consortium Odessa Pierce, Director	7800 Shoal Creek Blvd #171-E Austin, Texas 78757	Phone: 512-454-4816 ext. 308 Fax: 512-454-9202 Email: klandrum@advocacyinc.org
Disabled Ability Resource Environment (DARE) Thomas Carter	8929 Viscount Suite 101 El Paso, Texas 79925	Phone: 915-591-0800 Fax: 915-591-3506
Family Eldercare, Inc. Karen Langley, Executive Director	2210 Hancock Drive Austin, Texas 78756	Phone: 512-450-0844 Fax: 512-450-0844 Email: karenl@jump.net
Foundation for Texas Children Laverne Redwine	P.O. Box 141547 Austin, Texas 78714	Phone: 512-836-0225
Gray Panthers of Austin Charlotte Flynn	3710 Cedar Street, Room 235 Austin, Texas 78705	Phone: 512-458-3738 Fax: 512-458-9727 Email: info@graypanthers.org
Houston Bar Center Jeff Skarda	723 Main Street, Room 237 Houston, Texas 77052	Phone: 713-223-5301
Houston Center for Independent Living, Inc. (HCIL) Sandra Bookman	700 Regency Square Suite 160 Houston, Texas 77036	Phone: 713-974-4621 Fax: 713-974-6927 Email: hcil@neosoft.com
Licensed Vocational Nurse Association Phyllis Pilger, Executive Director	1033 La Posada # 220 Austin, Texas 78752	Phone: 512-454-6942 Fax: 512-454-3036
Lifetime Independence for Everyone, Inc. (LIFE) Craig Wall	1301 Broadway St., #200 Lubbock, Texas 79401	Phone: 806-749-5433 Fax: 806-749-2618
Living Centers of America	4315 Guadalupe #300 Austin, Texas 79413	Phone: 512-371-5500 Fax: 512-371-5540
Mental Health Association of Texas Kim McPherson, Policy Analyst	8401 Shoal Creek Blvd. Austin, Texas 78756	Phone: 512-454-3706 Fax: 512-454-3725 Email: mhainfo@mhatexas.org
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Panhandle Action Center for Independent Living Skills (PACILS)	3608 South Washington Amarillo, Texas 79010	Phone: 806-352-1500

Texas Department of Human Services		
Exhibit 16: Contacts		
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Group or Association Name/ Contact Person	Address	Telephone Number Fax Number E-mail Address
Private Providers Association of Texas Carol Smith, Director	8711 Burnet Road, #A-19 Austin, Texas 78757	Phone: 512-452-8188 Fax: 512-452-8197 Email: ppat100@aol.com
Resource Center on Independent Living, Inc. (REACH of Dallas) Charlotte Stewart, Director	8625 King George Suite 210 Dallas, Texas 75235	Phone: 214-630-4796 Fax: 214-630-6390 Email: reachdal@cyberramp.net
Resource Center on Independent Living (REACH of Fort Worth) Charlotte Stewart, Director	1205 Lake Street Fort Worth, Texas 76102	Phone: 817-870-9082 Fax: 817-877-1622
San Antonio Independent Living Center Services Larry M. Correu	8610 Broadway #420 San Antonio, Texas 78217	Phone: 210-805-0295 Fax: 512-822-7249
Southwest Texas State University Institute for Quality Improvement in Long-Term Health Care Sandy Ransom, R.N.	601 University Drive San Marcos, Texas 78666	Phone: 512-245-8234 Fax: 512-245-7803 Email: ransom@swt.edu
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Texas Association of Residential Care Communities Sid Rich	4131 Spicewood Springs Road Suite I-1 Austin, Texas 78759	Phone: 512-282-1111 Fax: 512-338-4864 Email: darrell@austin.tx.net
Texas Dental Association May Kay Linn, Executive Director	1946 South Interstate Hwy 35 Austin, Texas 78704	Phone: 512-443-3675 Fax: 512-443-3031 Email: eddy@tda.org
Texas Department on Aging John Willis	4900 N. Lamar, 4 th Floor Austin, Texas 78751	Phone: 512-424-6840 Fax: 512-424-6890 Email: john.willis@tdoa.state.tx.us
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Texas Department of Human Services		
Exhibit 16: Contacts		
Interest Groups		
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Texas Hospice Organization Larry Farrow, Executive Director	3724 Jefferson Suite 318 Austin, Texas 78731	Phone: 512-459-9129 Fax: 512-454-1248
Texas Medical Association Louis Goodman, Executive Director	401 West 15 th Austin, Texas 78701	Phone: 512-370-1300 Fax: 512-370-1633 Email: lou_g@texmed.org
Texas Nurses Association Clair Jordan, Executive Director	7600 Burnet Road Suite 440 Austin, Texas 78757	Phone: 512-452-0645 Fax: 512-452-0648 Email: tna@texasnurses.org
Texas Organization of Residential Care Homes (TORCH) Kathy Schoeneberg, President	P.O. Box 307 Del Valle, Texas 78617	Phone: 512-276-7000 Fax: 512-276-7540 Email: txtorch@ykc.com
Texas Pharmaceutical Association Jim Martin, R.Ph., Executive Director	P.O. Box 14709 Austin, Texas 78761	Phone: 512-836-8350 Fax: 512-836-0308 Email: jmartin@txpharmacy.com
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Texas Rehabilitation Commission Max Arrell, Commissioner	4900 N Lamar Blvd. Austin, Texas 78751	Phone: 512-483-4063
Tonn and Associates Larry L. Tonn	9442 Capital of Texas Hwy N. Arboretum Plaza One Suite 770 Austin, Texas 78759	Phone: 512-794-8672 Fax: 512-794-8675
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United People for Better Nursing Home Care Marian Rosen	1800 Lyric Centre 440 Louisiana Houston, Texas 77002	Phone: 713-222-6464 Fax: 713-227-4703
University of Texas School of Social Work Barbara White, Ph.D., Dean	1925 San Jacinto Austin, Texas 78712	Phone: 512-471-1937 Fax: 512-471-9600 Email: bwwhite@mail.utexas.edu
Valley Association for Independent Living, Inc.	105 CE. Expressway 83 Pharr, Texas 78577	Phone: 210-781-7733 Fax: 956-781-7735
Employees Retirement System of Texas (Sheila Beckett)	P. O. Box 13207 Austin, Texas 78711-3207	476-6431 867-7441 www.ers.state.tx.us
Texas Public Employees Association (Gary Anderson)	512 East 11 th St, Suite 100 Austin, Texas 78701	476-2691 476-1338 mail@tpea.org

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Interest Groups (groups affected by agency actions or that represent others served by or affected by agency actions)		
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Texas Department of Human Services Exhibit 16: Contacts		
Interagency, State or National Associations (that serve as an information clearinghouse or regularly interact with the agency)		
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American Nurses Association Mary Foley, RN, MS	600 Maryland Av. S.W. Washington, DC 20024	Phone: 202-872-4470 Fax: 202-651-7001 Email: memberinfo@ana.org
American Public Human Services Association	810 First Street, NE Suite 500 Washington, DC 20002-4267	202-682-0100 www.aphsa.org
American Society on Aging Gloria Cavanaugh	833 Market Street Suite 511 San Francisco, CA 9413	Phone: 415-974-9600 Fax: 415-974-0300 Email: info@asaging.org
American Society for Public Administration Mary Hamilton	1120 G Street NW Suite 700 Washington, DC 20005	Phone: 202-393-7878 Fax: 202-638-4952 Email: info@aspanet.org
American Society for Quality Pat Serketich	P.O. Box 3005 Milwaukee, WI 53201	Phone: 414-272-8575 Fax: 414-272-1734 Email: cs@asq.org
American Statistical Association	1429 Duke Street Alexandria, VA 22314	Phone: 703-836-0404 Fax: 703-684-2037 Email: asainfo@amstat.org
Center for Budget and Policy Priorities Robert Greenstein	820 First Street NE Suite 510 Washington, DC 20002	Phone: 202-408-1080 Fax: 202-408-1080 Email: bazie@cbpp.org
Center for Law and Social Policy Mark Greenberg	1616 P Street NW Washington, DC 20036	Phone: 202-328-5140 Fax: 202-328-5195 Email: info@clasp.org
Children with Severe Disabilities Workgroup Addie Horne	Texas Health and Human Services Commission P O Box 13247 Austin, Texas 78711	Phone: 424-6500 Fax: 424-6587 Email: addie.horne@hhsc.state.tx.us
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NAACP- Austin/Texas Chapter	1704 East 12 th Street Austin, Texas 78702	Phone: 512-476-6230
National Academy of State Health Policy Trish Riley	50 Monument Square Suite 502 Portland, ME 04101	Phone: 207-874-6527 Fax: 207-874-6527 Email: info@nashp.org
National Association for Education of Young Children	1509 16 th Street, NW Washington, DC 20036	Phone: 202-232-8777 Fax: 202-328-1846 Email: exdir@naeyc.org
National Association of Counties Larry Naake	440 1 st Street, NW Suite 800 Washington, DC 20001	Phone: 202-393-6226 Fax: 202-393-2630 Email: lnaake@naco.org
National Association of Health Facility Survey Agencies Bob Goodrow Ellen Reap	105 Sandley Parkview Asheville, NC 28805	Phone: 302-577-6666
Association of Public Data Users Teresa Allen, Administrator	P.O. Box 12538 Arlington, VA 22219	Phone: 703-807-2327 Fax: 703-528-2857 Email: TeresaH@smdi.com
National Association of Regulatory Administration Scott Franzmeier, Managing Director	26 East Exchange Street Fifth Floor Saint Paul, MN 55101	Phone: 651-290-6280 Fax: 651-290-2266 Email: scottf@ewald.com
National Association of Social Workers Gail Woods-Waller	750 First Street NE, Suite 700 Washington, DC 20002-4241	Phone: 202-408-8600 Email: gwall@naswdc.org
National Association of State Auditors, Comptrollers, and Treasurers Relmond Van Daniker, Executive Director	2401 Regency Road Suite 302 Lexington, KY 40503	Phone: 859-276-1147 Fax: 859-278-0507 Email: rvdaniker@nasact.org
National Association of State Information Resource Executives Aldona Valicenti, President	167 W. Main Street Suite 600 Lexington, KY 40507	Phone: 859-231-1971 Fax: 859-231-1928 E-mail: nasire@amrinc.net
National Association of State Units on Aging Geneva Shedd, President	1225 I Street NW Suite 725 Washington, DC 20005	Phone: 202-898-2578 Fax: 202-898-2583 Email: info@nasua.org
National Committee for Prevention of Elder Abuse Rosalie Wolf	C/o Institute on Aging Medical Center of Central Massachusetts 119 Belmont Street Worcester, MA 01605	Phone: 508-334-6166 Fax: 508-334-6906 Email: wolfr@umhmc.org
National Conference of State Legislators William Pound, Executive Director	1560 Broadway Suite 700 Denver, CO 80202	Phone: 303-830-2200 Fax: 303-836-8003 Email: info@ncsl.org
National Food Service Management Institute	P.O. Box 188 University, MS 38677	Phone: 800-321-3054 Fax: 800-321-3061 Email: nfsmi@olemiss.edu

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Group or Association Name/ Contact Person	Address	Telephone Number Fax Number E-mail Address
National Governors Association Ray Scheppach, Executive Director	Hall of States 444 North Capitol St. Washington, DC 20001	Phone: 202-624-5300
National Independent Living Association James Clark, Executive Director	4203 Southpoint Blvd. Jacksonville, FL 32216	Phone: 904-296-1038 Email: info@nilausa.org
Quality Assurance Institute (QAI)	7575 Dr. Phillips Blvd. Suite 350 Orlando, FL 32819	Phone: 407-363-1111 Fax: 407-363-1112 Email: qaiadmin@qaiusa.com
Personal Assistance Task Force (PAS) Coalition of Texans with Disabilities	316 West 12 th Street #405 Austin, Texas 78701	Phone: 512-478-3366 Fax: 512-478-3370 Email: cotwd@io.com
HHS HR Council (Kemp Dixon)	DHS P. O. Box 149030 (W-101) Austin, Texas 78714-9030	438-3601 438-4835 kemp.dixon@dhs.state.tx.us
State Agency Coordinating Council – HR (Morris Arnold)	MHMR 909 West 45 th St. Austin, Texas 78756	206-4505 206-4891 morris.arnold@mhmr.state.tx.us
HHS Training Workgroup (Roy Larsen)	TRC Human Resource Division 4900 North Lamar Austin, Texas 78751	424-4208 424-4217 roy.larsen@rehab.state.tx.us
Texas State Human Resources Association (A. A. Barrette)	P. O. Box 182 Austin, Texas 78767-0182	424-2000 (x3191) 424-5771 a.barrette@txdps.state.tx.us
Society for Human Resource Management (Helen Drinan)	1800 Duke St. Alexandria, VA 22314	(703) 548-3440 (703) 535-6490 www.shrm.org
International Personnel Management Association (Susan Stern)	1617 Duke St. Alexandria, VA 22314	(703) 549-7100 (703) 684-0948 www.ipma-hr.org
Advocacy Incorporated (Stephen J. Marshall)	7800 Shoal Creek Blvd. #142-S Austin, Texas 78757	512/454-4816 512/323-0902 smarshall@advocacyinc.org
Health & Human Services Commission Procurement Subcommittee (Pat Martin)	MHMR 909 West 45th Street Austin, Texas 78751	512/206-5512 512/206-5511 pat.martin@mhmr.state.tx.us
State Agency Coordinating Committee (SACC) Procurement Subcommittee (Kerry Stennet)	TNRCC 12100 Interstate Highway 35 North Austin, Texas 78753	512/239-3323 512/239-6004 kstennet@tnrcc.state.tx.us

Texas Department of Human Services Exhibit 16: Contacts		
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Chris Britton	P.O. Box 12428 Austin, Texas 78711	(512) 475-4460
Lt. Governor's Office		
Laura Smith	P.O. Box 12068 Austin, Texas 78711	(512)463-0001
Secretary of State's Office		
Dan Procter, Texas Register	State Capitol, Room 1.94 1100 Congress Austin, Texas 78701	(512)463-5562 (512)463-5569 dprocter@sos.state.tx.us
Speaker's Office		
Jennifer Chapman-Bandu	Texas House of Representatives P.O. box 2910 Austin, Texas 8768	(512) 463-1100
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Greg Markley, Performance Analyst	Robert E. Johnson Bldg. 1501 N. Congress Av., 5 th Floor	(512)463-1200 greg.markley@lbb.state.tx.us
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John Keel	Robert E. Johnson Bldg. 1501 N. Congress Av., 5 th Floor	(512) 463-1200
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Office of the State Comptroller		
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Tamara Plaut, Statistics	Travis Building 111 E. 17 th Street	(512)463-4179
Cindy Alexander, fiscal matters	Travis Building 111 E. 17 th Street	(512)475-0129
Phyllis Coombs, Research Division	Travis Building 111 E. 17 th Street	(512)463-4973
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Health and Human Services Commission		
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Susan Sanders, TANF Financial	1701 Congress Ave. Austin, Texas 78701	(512)463-9283
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Texas Department of Licensing and Regulation		

Texas Department of Human Services		
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Liaisons at Other State Agencies		
Agency Name/ Relationship/ Contact Person	Address	Telephone Number Fax Number E-mail Address
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Texas Department of Protective and Regulatory Services		
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Tamela Griffin, TANF Financial	John H. Winters Building 701 West 51 st Street	
Susan Lewis, TANF Financial	John H. Winters Building 701 West 51 st Street	
Mary Fields, budget contact	John H. Winters Building 701 W. 51 st Street Austin, Texas 78751	(512)438-3856 (512)438-3853- fax fieldsma@tdprs.state.tx.us
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VIII. 77th Legislative Session Chart

<p>Texas Department of Human Services Exhibit 17: 77th Legislative Session Chart</p>
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Legislation Enacted in the 77 th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent
HB 102	Maxey	Original version sought to abolish the electronic imaging program of the Department of Human Services. Passed version leaves Finger Imaging intact but adds exemptions for elderly and/or disabled clients.
HB 154	Thompson	The personal needs allowance for certain Medicaid recipients who are residents of long-term care facilities was increased to \$60 per month from the current \$45. Bill also provides for development of an ‘early warning system’ to detect misuse of these funds.
HB 456	Maxey	This bill allows unlicensed individuals, either directed or trained by the parent or guardian, to provide services to disabled individuals. The bill also delineates those services that can be performed by unlicensed individuals.
HB 477	Naishtat	HB 477 (companion SB 167) directs DHS and TWC to develop an MOU, with the approval of HHSC, to establish guidelines for a coordinated interagency case management plan that will assist with identification of and coordinated services to TANF recipients facing high employment barriers.
HB 560	Keffer	HB 560 provides that a “religious charitable organization” is not liable for damages arising from the negligent use of a motor vehicle leased or owned by the organization when the vehicle is being used to transport TANF or Food Stamp recipients to work, training, or child care.
HB 678	McCall	HB 678 allows for the disclosure of an individual's bio-metric identifier, such as a finger image, for the purpose of completing a financial transaction requested by the person to whom the identifier belongs and for financial transactions authorized by such an individual.
HB 772	Haggerty	This bill expands the definition of who may be eligible for release on special needs parole to include those individuals who are significantly ill with a chronic disease. The bill also requires DHS and the Texas Council on Offenders with Mental Impairments to jointly request proposals to provide services in a nursing home located in an urban area to inmates released on special needs parole.
HB 915	Gray	HB 915 (companion SB 894) creates an Interagency Council on Pharmaceuticals Bulk Purchasing for the purpose of developing a bulk-purchasing process.
HB 966	Naishtat	HB 966 requires HHSC to study and report on ways in which health and human service agencies can quantify the amount of money spent on a person in an institution and redirect all or part of the amount to community-based programs if the person leaves the institution. HHSC must also evaluate ways the money can be redirected under existing law. DHS would be required to furnish HHSC with requested information and assistance. Workgroups will likely be convened to research and discuss these issues.
HB 1005	Naishtat	HB 1005 creates a new temporary assistance program, paid for by state funds, for all two-parent households in the state and all persons residing in minimum service counties (as defined by TWC). Recipients under this state-funded program are eligible for Medicaid in the same manner as a recipient of federally funded TANF benefits.

Legislation Enacted in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent
HB 1094	Gray	HB 1094 (companion SB 895) requires HHSC to establish a prescription drug program for Qualified Medicare Beneficiaries (QMB's) and Specified Low-income Medicare Beneficiaries (SLMB's). The program should be identical (as the situation permits) to the Medicaid Vendor Drug Program, but use state funds only. It requires HHSC to implement the program and adopt all necessary rules.
HB 1154	Raymond	HB 1154 (companion SB 35) allows HHSC to provide a grant to a community-based organization (CBO) or combination of organizations, upon the request of the organization. The bill also adds subsection (g), which describes aspects of HHSC's evaluation of the CBOs' proposal, including giving preference to proposals that use the internet and related information technologies to provide client referral services, other information regarding local long-term care services, and needs assessment.
HB 1243	Villarreal	HB 1243 requires TWC to develop and implement a tracking system for former Choices and Food Stamp E&T program recipients. The purpose of the system is to monitor the long-term employment history of these individuals. The bill language requires DHS to cooperate with TWC in developing the tracking system.
HB 1418	Jones	HB 1418 requires all long-term care facilities to obtain criminal history checks for all employees and requires nursing facilities to prepare a written statement describing the institution's policy for drug testing of employees who have direct resident contact. HCSSA's are required to obtain checks for employees whose job duties include direct contact with consumers.
HB 1478	Maxey	HB 1478 establishes the Children's Policy Council, a workgroup to assist the HHSC, DHS, TDH and TDMHMR "...developing, implementing, and administering family support polices and related long-term care and health programs for children."
HB 1516	Janek	HB 1516 requires HHSC and the Medicaid operating agencies to establish a catastrophic case management system to provide medical assistance to Medicaid recipients with catastrophic health problems that are likely to require the services of multiple, specialized health care providers, and result in major medical costs.
HB 1621	Coleman	HB 1621 (companion SB 1259) provides for representation of the 'interests' of the elderly, persons with disabilities and low-income individuals on metropolitan rapid transit authorities, regional transportation authorities and county mass transit authorities.
HB 2258	Maxey	HB 2258 requires DHS to identify each nursing facility resident with mental illness or mental retardation "after the resident has decided to make a transition to a community-based setting and before the resident makes the transition."
HB 2700	Chavez	HB 2700 (companion SB 1483) requires HHSC to establish tele-medicine pilot programs along the Texas border with Mexico. The pilots must make available certain general services and should focus on specific conditions such as pregnancy, diabetes, heart disease and cancer.
HB 2729	Gray	HB 2729 creates a Drug Donation Program that would allow the donation of certain unused prescription drugs to charitable medical clinics.
HCR 109	Gutierrez	This Resolution urges the 77th Legislature to support the establishment of a statewide 2-1-1 information and referral telephone network so people in Texas can be linked to health and human services information and assistance. This will provide an easy to remember phone number that connects people to federal, state, and local health and human services providers.

Legislation Enacted in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent
SB 11	Nelson	SB 11 restricts the access to, use, and release of medical information about an identifiable individual without that individual's informed consent. The bill specifically prescribes the contents of an informed consent. The bill also requires all covered entities to provide written notice regarding their practices with respect to medical information.
SB 34	Zaffirini	SB 34 (companion HB 1153) mandates DHS to provide annual basic dental services (exam, x-rays if possible and cleaning if practical considering health of resident) for Medicaid clients in nursing facilities. This will include the SSI recipients residing in nursing facilities who only receive a personal needs allowance that is not enough to cover dental expenses under the incurred medical policy.
SB 37	Zaffirini	SB 37 (companion HB 480) provides for the issuance of a temporary license (duration 90 days) to new operators when there is a change of ownership (CHOW) of a nursing facility. An onsite inspection or survey "as soon as reasonably possible" would follow the issuance of the "temporary license".
SB 43	Zaffirini	SB 43 (companion HB 1604) simplifies the certification process for medical assistance for children under 19 years of age.
SB 45	Zaffirini	SB 45 (companion HB 1003) removes current statutory language defining hardship exemptions from state time limits for community economic factors, severe personal hardship and when the state is unable to provide support services. It modifies the language to require the DHS, HHSC and TWC to jointly adopt rules prescribing what constitutes a hardship that would warrant an exception to the imposition of state time limited benefits.
SB 47	Zaffirini	SB 47 (companion HB 1174), defines a family violence non-residential center as a program that is operated by a public or private non-profit organization that provides comprehensive non-residential services to victims of family violence. This bill allows non-residential centers to be eligible for funding and establishes the eligibility criteria.
SB 51	Zaffirini	SB 51 (companion HB 98) states the department shall provide Medicaid to an independent foster care adolescent who is not otherwise eligible for Medicaid or is not covered by a health benefits plan offering adequate benefits (as determined by the HHSC).
SB 54	Zaffirini	SB 54 requires health and human service agencies to report annually to HHSC on their efforts to provide services to children younger than six years of age
SB 177	Madla	SB 177 requires convalescent or Nursing Facilities (NF) or related institutions to allow electronic monitoring devices in resident's rooms. These devices would be provided by the resident; resident's next of kin, at the request of the resident; or the guardian.
SB 184	Zaffirini	SB 184 bill states that DHS may require a recipient to appear at a local office for an initial interview or re-certification if necessary to protect the integrity of the food stamp program or to prevent erroneous food stamp determinations. Additionally, a recipient may choose to bypass a telephone interview and have eligibility determined at the local office. The department must also establish a resource limit for the specific non-cash or in-kind TANF benefit that will result in categorical eligibility for food stamps.

Legislation Enacted in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent
SB 187	Shapleigh	SB 187 (companion HB 578) creates the TexasOnline Authority in the Department of Information Resources. The Authority's job is to implement an Internet portal called "TexasOnline" through which state agencies and local governmental bodies can do business. The Authority and "TexasOnline" are continuations of the task force and demonstration project established in section 2054.062 of the Government Code in the last legislative session.
SB 355	Lindsay	SB 355 adds a very comprehensive and thorough "informed consent" provision with respect to the use of psychoactive medications in nursing facilities.
SB 367	Zaffirini	SB 367 (companion HB 967) directs the appropriate health and human service agencies to implement a plan that fosters independence and productivity and provides meaningful opportunities for a person with a disability to live in the community. The legislation creates a workgroup to accomplish the development of a plan to ensure appropriate care settings for persons with disabilities and identify appropriate components of the pilot program established for coordination and integration between DHS and TDMHMR.
SB 368	Zaffirini	SB 368 includes extensive requirements for permanency planning for children and the family-based alternatives program with requirements for HHSC and the individual agencies.
SB 527	Moncrief	SB 527 addresses the imposition of administrative penalties against assisted living facilities. SB 527 allows for more flexibility in designing and implementing the statute than SB 39, which is similar but not identical, and allows for the department to implement a process similar to that utilized in the Nursing Facility program.
SB 532	Nelson	SB 532 (companion to HB 101) requires the department to revise the Medicaid state plan to provide Medicaid to those eligible for assistance under the Breast and Cervical Cancer Prevention and Treatment Act of 2000.
SB 535	Carona	SB 535 (companion HB 1421) repeals portions of SB 374 (76 th), which merges functions of TDoA into DHS. The bill also extends TDoA's sunset from September 1, 2004 to September 1, 2006. The bill impacts the creation of a single long-term care agency.
SB 665	Moncrief	SB 665 (companion HB 1308) creates the Office of Early Childhood Coordination within the HHSC. The purpose of the office is to promote community supports for parents and to provide the seamless delivery of health and human services to children younger than age six.
SB 691	Moncrief	SB 691 establishes a separate trust fund account and a lower monetary amount to be maintained in the assisted living account. The trust fund account is to be maintained at \$500,000 for the assisted living facility account. The nursing facility account is established at \$10 million.
SB 751	Shapleigh	SB 751 requires health and human services agencies to use certified promotoras to the extent possible in health outreach and education programs for Medicaid recipients.
SB 772	Harris	The intent of this bill, as with HB 480 and SB 37, is to expedite the issuance of nursing facility licenses to new owners/operators when there is a change of ownership (CHOW).
SB 831	Moncrief	SB 831 (companion HB 1087) requires DHS to establish a pilot program related to the Ticket to Work and Work Incentives Act of 1999 (TWWIA).

Legislation Enacted in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent
SB 834	Moncrief	SB 834 requires HHSC, in cooperation with DIR, to establish and maintain a generally accessible Internet site that contains information regarding the services provided or administered by each of the health and human services agencies throughout the state. The Internet site must include application forms for specified public assistance programs. HHSC must ensure that the site does not contain confidential information and the site's design, etc. must meet standards for accommodation of persons with disabilities.
SB 875	West	SB 875 requires HHSC and each health and human services agency to examine policies and procedures to determine if they deter or encourage participation by fathers in programs/services relating to children.
SB 908	Shapleigh	SB 908 (companion HB 2227) requires the department to expand the model for the Program of all-inclusive Care For the Elderly (PACE), currently available only to limited areas of El Paso.
SB 990	Sibley	SB 990 changes the definition of a late enrollee in the Health Insurance Portability and Availability Act.
SB 1100	Moncrief	SB 1100 requires the Texas Higher Education Coordinating Board to select two nursing facilities as pilot sites to be affiliated with one or more medical and dental units to provide research, training, and education regarding the appropriate level of medical and health care in appropriate disciplines for residents of nursing homes.
SB 1160	Truan	SB 1160 establishes the criteria for selecting where any future veteran's homes may be located. When practicable, veterans homes should be placed in areas not presently served; the economic impact on the community and on the veterans program should be considered; and areas with a significant veteran population should be considered.
SB 1166	Madla	SB 1166 bill clarifies that the authority of a physician to delegate is limited to three physician assistants or advanced practice nurses at the physician's primary practice site or at an alternate practice site.
SB 1245	Moncrief	SB 1245 adds amendments to Chapter 250, Health and Safety Code, Nurse Aide Registry and Criminal History Checks of Employees and applicants for employment in certain facilities serving the elderly or persons with disabilities. This allows the facility to get criminal history information on employees and applicants for employment directly from DPS. The requirement does not apply to HCSSA agencies licensed under Chapter 142, Health and Safety Code, unless the applicant or employee's duties would or do involve direct contact with a consumer in the facility.
SB 1376	Moncrief	SB 1376 requires DHS to offer amelioration except when a violation is an 'immediate jeopardy' to the health and safety of a resident or when the violation is subject to correction. The act is applicable to intermediate care facilities for the mentally retarded as well as to nursing facilities.
SB 1468	Moncrief	SB 1468 (companion HB 3487) requires all HHS agencies, the Texas Council on Offenders with Mental Impairments, the Texas Department of Criminal Justice, the Texas Department of Housing and Community Affairs, the Texas Education Agency, the Texas Workforce Commission, and the Texas Youth Commission to develop a memorandum of understanding to "promote a system of local-level interagency staffing groups to coordinate services for persons needing multi-agency services."

Legislation Enacted in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent
SB 1536	Madla	SB 1536 directs HHSC to establish pilot programs to provide tele-medicine medical services and tele-health services. It also directs the HHSC commissioner to establish a new tele-medicine advisory committee to assist the Commission in certain activities detailed in the bill, related to tele-medicine medical services, tele-health services, and tele-medical consultations.
SB 1839	Moncrief	SB 1839, the Long-Term Care Facility Improvement Act, is the session's major nursing facility bill. A good part of the bill is dedicated to liability insurance coverage for nursing facilities.

Legislation Not Passed in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent/Reason the Bill did not Pass
HB 43	McClendon	HB 43 is related to the earned income disregard for TANF recipients. This bill allowed a 90% disregard, which is the current TANF policy. However, the disregard would have been allowed for 6 months instead of the current 4 months. (No Senate Floor Action)
HB 87	King	HB 87 and companion SB 715 allow a franchise tax credit for corporations that provide transportation or funds for transportation for TANF or Food Stamp recipients participating in department-related employment activities. (Left Pending in House Committee)
HB 165	Keffer	HB 165 amends Section 31.0031 related to sanctions and penalties for TANF recipients who fail to comply with the PRA and imposes new sanctions and penalties for TANF recipients who do not comply with work requirements without good cause. (Left Pending in House Committee)
HB 478	Naishtat	HB 478 and companion SB 42 require DHS to conduct a case review before applying a penalty to a person for noncompliance with provisions of the Personal Responsibility Agreement which includes THSteps, school attendance, and parenting skills. (Not Placed on House Calendar)
HB 703	Maxey	HB 703, companion bill to SB 426, prohibits a limit on the number of prescriptions available to a client under the Medicaid vendor drug program. (Left Pending in House Committee)
HB 734	Chavez	HB 34 prohibits the Medicaid Vendor Drug Program from setting a limit of less than four prescriptions per month for Medicaid clients who are 65 or older. This bill also calls on HHSC to develop the database system to enable a complete analysis of the use of prescription medicines. (Left Pending in House Committee)
HB 795	Najera	HB 795 prohibits the Medicaid Vendor Drug Program from setting a limit of less than six prescriptions per month per client. This bill also calls on HHSC to develop the database system to enable a complete analysis of the use of prescription medicines. (Left Pending in House Committee)
HB 1001	Naishtat	HB 1001 directs HHSC and DHS to evaluate the methodology used to determine Medicaid rates for nursing facilities and report the results of the evaluation to the Governor, Lieutenant Governor, and the Speaker of the House. (Vetoed)
HB 1004	Naishtat	HB 1004 adds "within federal limits" to the rule requirements for determining permissible work, employment or education activities. States may continue to serve TANF recipients pursuing further education (past the 12-month limitation) as long as the state can meet federal participation rates without counting those clients. (Vetoed)

Legislation Not Passed in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent/Reason the Bill did not Pass
HB 1006	Naishtat	HB 1006 is related to exemptions and exceptions from work or employment activity requirements under the TANF program. (Vetoed)
HB 1008	Naishtat	HB 1008 Relates to applying penalties to recipients of financial and nutritional assistance for certain drug and alcohol related convictions. The House Substitute imposed a lifetime disqualification for a person convicted of a felony for the possession, use, manufacture, or distribution of a controlled substance if the person committed the offense while receiving TANF or Food Stamps. (Not Placed on House Calendar)
HB 1009	Naishtat	HB 1009 is a companion bill to SB 48 that relates to sanctions for non-cooperation with Child Support imposed on recipients of TANF. (Left Pending in House Committee)
HB 1097	Chavez	HB 1097 requires DHS and TDH to provide periodic training of eligibility staff and contracted providers for the eligibility of qualified aliens for Medicaid. (Left Pending in House Committee)
HB 1152	Raymond	HB 1152 and companion SB 33 would provide three prescriptions per month for individuals receiving attendant care services enacted under §1929(b) of the Social Security Act. It would also allow presumptive eligibility for individuals receiving Primary Home Care (PHC) or Community Based Alternatives (CBA) services and allow home health nurses to delegate some nursing tasks to unlicensed attendants. (Not Heard in House Committee)
HB 1155	Raymond	HB 1155 and companion SB 42 mandate DHS to conduct a case review whenever the agency imposes sanctions for noncompliance with certain requirements of the personal responsibility agreement. (Not Scheduled for Committee Hearing)
HB 1156	Zaffirini	HB 1156 expands Medicaid coverage for family planning to women up to 185% of the federal poverty level. (Vetoed)
HB 1213	Maxey	HB 1213 adds Family-Based Alternatives for Children (FBAC). The purpose of this legislation is to further the state's policy of providing for a child's basic need for safety, security, and stability through ensuring that a child becomes a part of a successful permanent family as soon as possible. (Not Scheduled for Senate Committee Hearing)
HB 1218	Chavez	HB 1218 provides for the establishment of a food assistance program for legal immigrants who are not receiving assistance through the federal food stamp program, State Immigrant Food Assistance Program (SIFAP), or any other food assistance program administered by DHS. (Not Placed on House Calendar)
HB 1231	Maxey	HB 1231 requires pharmacies participating in the Medicaid Vendor Drug Program to provide prescription drugs to Medicare recipients at Medicaid prices. (Left Pending in House Committee)
HB 1339	Coleman	HB 1339 establishes an advisory committee composed of representatives of 14 state agencies and 5 members of the public to adopt a statewide strategy to reduce drug abuse. (Not Scheduled for House Committee Hearing)
HB 1422	Oliveira	HB 1422 directs the DHS to determine Medicaid eligibility for certain qualified aliens who meet all eligibility criteria except for citizenship and have been a resident for a minimum of five years. It further authorizes the department to determine Medicaid eligibility for a person who is pregnant, but who does not meet the five-year requirement. (Laid on Table--House)

Legislation Not Passed in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent/Reason the Bill did not Pass
HB 1462	Maxey	HB 1462 requires the preparation and filing of the reports summarizing the Departments efforts in implementing the Summer Food Service Program (SFSP) outreach program. (Not Scheduled for House Committee Hearing)
HB 1622	Isett	HB 1622 seeks to create in statute a comprehensive statewide contract management policy. (Left Pending in House Committee)
HB 1959	Naishtat	HB 1959 and companion SB 1448 require DHS to exclude, to the maximum extent possible allowed by USDA regulations, the income of ineligible aliens in determining the eligibility and food stamp allotment amount of the rest of the alien's household. (Not Brought up on Senate Floor)
HB 1967	Najera	HB 1967 establishes a state prescription drug plan providing benefits to Texans who are at least age 65 or have a serious health condition. (Left Pending in House Committee)
HB 2069	Kitchen	HB 2069 directs HHSC to do a feasibility study regarding expanding the Medicaid program through the option offered to the states under Section 1396 (e) (3) of the Social Security Act. (Not Heard in House Committee)
HB 2149	Kitchen	HB 2149 requires HHSC to study the feasibility of creating a generally accessible and interactive web-based application system for use in determining eligibility for and enrolling persons eligible for Medicaid in the state Medicaid program. (Not Scheduled for House Committee Hearing)
HB 2150	Kitchen	HB 2150 permits an application for the Children's Health Insurance Program (CHIP) to be made through the Internet, by mail, or over the telephone. (Not Scheduled for House Committee Hearing)
HB 2251	Naishtat	HB 2251 would enact a change to the policy related to the countable value of a vehicle in the TANF program. The bill would also require the TANF policy to be applied to the Food Stamp Program in Texas. (Not Scheduled on House Calendar)
HB 2280	Naishtat	HB 2280 relates to the development of an interagency plan between DHS and TWC to identify and coordinate services for TANF recipients who have, compared to other recipients, higher levels of employment barriers. (Not Scheduled on House Calendar)
HB 2284	Kitchen	HB 2284 eliminates the assets test for eligibility for the Medicare cost savings programs (QMB, SLMB, QDWI, QI-1 and QI-2) and authorizes DHS to seek a federal waiver to implement. (Left Pending in House Committee)
HB 2285	Kitchen	HB 2285 proposes increasing the number of CHIP eligible children by increasing the income limit and requiring families to pay the cost of premiums. Families with income above 200% FPIL but below 300% (Group B) would be eligible for CHIP but would have to pay a portion of the insurance premium. (Not Scheduled for House Committee Hearing)
HB 2395	Chavez	HB 2395 directs DHS to determine eligibility for certain aliens. Currently these immigrants are barred from participation in the TANF program. (Not Scheduled on House Calendar)
HB 2406	Gray	HB 2406 directs HHSC to establish a health benefit plan program for low-income individuals age 65 or older, or age 55 or older and unable to work full time because of a disability. (Left pending in House Committee)
HB 2420	Coleman	HB 2420 enacts new law by directing HHSC to establish a pilot program extending Medicaid coverage to certain low-income parents of children receiving Medicaid who are not otherwise eligible for that assistance. (Not Scheduled on House Calendar)

Legislation Not Passed in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent/Reason the Bill did not Pass
HB 2425	Hawley	HB 2425 prohibits HHSC from implementing any Medicaid managed care pilot program in a county with a population of less than 100,000. The bill specifically identifies STAR+PLUS by name and refers to STAR and NorthSTAR as "the Medicaid managed care pilot and Medicaid behavioral health pilot programs". (Left Pending in House Committee)
HB 2541	Coleman	HB 2541, companion to SB 1156, proposes simplifying the certification process to provide medical assistance for children under 19 years of age. This bill also proposes a five-year demonstration project to provide persons age 19 through 64 with psychotropic medications and related lab and physician services if the person has been diagnosed with schizophrenia or bipolar disorder. (Not Scheduled for House Committee Hearing)
HB 2631	Wohlgemuth	HB 2631 amends and adds certain penalties, work requirements, and eligibility provisions relating to TANF. The bill makes penalties for noncompliance with the Personal Responsibility Agreement (PRA) apply to a person's family as well as to the person who fails to comply. (Left Pending in House Committee)
HB 2660	Christian	HB 2660 requires HHSC to establish rules as a condition of eligibility requiring anyone receiving "public assistance" to enroll their dependent children in any public health care program for which the child is eligible. (Not Heard in House Committee)
HB 2772	Chavez	HB 2772 requires that state agencies use the common electronic system established by Section 2054.062 ("Texas Online"), or its successor, for all agency services and functions provided to the public through the Internet. (Left Pending in House Committee)
HB 2906	Eiland	HB 2906 and companion SB 1592 relate to the imposition of an additional fee on nursing and convalescent homes for the purpose of allowing the state to increase reimbursement rates to the homes under the state Medicaid program and to qualify for more federal Medicaid funds. (Not Scheduled on House Calendar)
HB 2999	Uresti	HB 2999 creates a prescription drug program within TDH that would seek to lower the cost of prescription drugs for uninsured or underinsured residents of the state by negotiating rebates from the drug manufacturers and wholesalers. (Left Pending in House Committee)
HB 3060	Wilson	HB 3060 establishes one or more pilot to demonstrate the application of technology to the provision of services. The pilot may be, but is not limited to, long-term care, community care and supports, rehabilitation, aging, disability. (Not Scheduled for House Committee Hearing)
HB 3163	Lewis	HB 3163 clarifies that a surrogate decision-maker may consent to medical treatment for a patient if the patient does not have a guardian or an advance directive authorizing another person to make medical treatment decisions. This bill applies to an adult patient in a hospital or nursing home who is comatose, incapacitated, or incapable of communication, for non-emergency medical treatment that does not involve withholding of life-sustaining treatment. (Not Scheduled for House Committee Hearing)
HB 3210	Naishtat	HB 3210 creates a State Self- Sufficiency Program for immigrants who are victims of battery and extreme cruelty. (Not Brought Up on Senate Floor)
HB 3385	Kitchen	HB 3385 requires HHSC to implement Medicaid STAR+PLUS pilot programs in at least two (2) regions in the state where Medicaid managed care is currently operating (STAR). (Left Pending in House Committee)

Legislation Not Passed in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent/Reason the Bill did not Pass
HB 3386	Kitchen	HB 3386 requires HHSC to implement Medicaid managed care pilot programs in regions where the state is not currently operating such entities. This bill is much like HB 3385, which would specifically require STAR+PLUS to expand. HB 3386, however, does not specify either STAR or STAR+PLUS. (Not Scheduled for House Committee Hearing)
HB 3583	Coleman	HB 3583 relates to the imposition of vendor hold and contract cancellations of ICFs/MR that receive 3 vendor holds in an 18-month period. This bill returns the recommendation to place a facility on vendor hold back with the state survey team (DHS). (Left Pending in House Committee)
HB 3592	Eiland	HB 3592 imposes on each HCSSA licensed in the category of personal assistance services (PAS) a fee, payable monthly, and makes the cost for reimbursement an allowable cost under the State Medicaid program. The money collected will be used to increase the rate of reimbursement paid to HCSSAs providing long- term care under Medicaid and to pay the cost of administering collection of the fee. (Not Scheduled for House Committee Hearing)
HB 3593	Eiland	HB 3593 appropriates \$100 million from the economic stabilization fund for each year of the biennium to DHS to increase payment to enhance quality of care in nursing facilities (NF), ICF-MR facilities and to home health care providers. (Not Scheduled for House Committee Hearing)
SB 27	Shapiro	SB 27 by provides an address confidentiality program for victims of family violence and stalking which would be administered by the Secretary of State's (SOS) office. The SOS will "identify state and local agencies that provide services to victims of family violence and require the identified agencies to provide access to the program, including making program information and application materials available to and providing assistance in completing program applications." (Not Scheduled for House Committee Hearing)
SB 33	Zaffirini	SB 33 and companion HB 1152 require DHS to provide three prescriptions per month for individuals receiving attendant care services enacted under §1929b of the Social Security Act. The bill would also allow for presumptive eligibility for individuals receiving Primary Home Care (PHC) or Community Based Alternatives (CBA) agencies and it would allow home health nurses to delegate some nursing tasks to unlicensed attendants. (Left Pending in Senate Committee)
SB 42	Zaffirini	SB 42, and companion HB 1155, requires DHS to conduct a case review whenever the agency imposes sanctions for noncompliance with certain PRA requirements. The case review is to determine the reasons for noncompliance and if support services would enable the TANF recipient to comply with the requirement or prevent future noncompliance. (Not Scheduled on House Calendar)
SB 44	Zaffirini	SB 44 establishes a workgroup on office standards at DHS to improve the eligibility, application and review processes for TANF, Medicaid, and Food Stamps. (Not Scheduled for Senate Committee Hearing)
SB 48	Zaffirini	SB 48 is a companion bill to HB 1009 that relates to sanctions for non-cooperation with Child Support imposed on recipients of TANF.

Legislation Not Passed in the 77th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Intent/Reason the Bill did not Pass
SB 49	Zaffirini	SB 49 relates to applying penalties to recipients of financial and nutritional assistance for certain drug and alcohol related convictions. The House Substitute imposed a lifetime disqualification for a person convicted of a felony for the possession, use, manufacture, or distribution of a controlled substance if the person committed the offense while receiving TANF or Food Stamps. (Laid on Table--House)
SB 334	Van de Putte	SB 334 requires DHS to submit quarterly reports to the "standing committees" of the Senate and House of Representatives with primary jurisdiction over health and human services. The report should detail the Department's efforts to conduct outreach to expand the availability of the Summer Food Service Program among children eligible to receive free and reduced-price meals during the school year. (Not Scheduled for House Committee Hearing)
SB 426	Lucio	SB 426 is a companion bill to HB 703 and eliminates the limit on prescription drugs for anyone eligible for full Medicaid benefits. (Not Scheduled for Senate Committee Hearing)
SB 556	Duncan	SB 556 is a companion to HB 1231 and relates to prescription drugs for Medicare recipients. TDH must ensure that pharmacies participating in the Medicaid program charge no more than the Medicaid reimbursement rates plus a dispensing fee for drugs dispensed to Medicare recipients. (Not Scheduled on House Calendar)
SB 959	Barrientos	SB 959 provides for confidential communications between advocates and victims made in the course of providing family violence advocacy services. The bill also provides for confidentiality regarding client records and facility information. (Not Scheduled for Senate Committee Hearing)
SB 1008	Zaffirini	SB 1008, companion to HB 2251, changes to the policy related to the countable value of a vehicle. The bill would also exclude from consideration up to \$5,000 (adjusted annually) in fair market value of all additional vehicles in which the applicant has an ownership interest. (Left Pending in Senate Committee)
SB 1305	Harris	SB 1305 instructs HHSC and TDH to ensure that the state is claiming the highest possible federal match (i.e., the CHIP match) for special health care services provided to children with special health care needs (i.e., Chronically Ill and Disabled Children). (Left Pending in Senate Committee)
SB 1448	Shapleigh	SB 1448, a companion to HB 1959, requires DHS to exclude, to the maximum extent possible allowed by USDA regulations, the income of ineligible aliens in determining the eligibility and food stamp allotment amount of the rest of the alien's household. (Not Scheduled for Senate Committee Hearing)
SB 1592	Moncrief	SB 1592, a companion to HB 2906, relates to the imposition of an additional fee on nursing and convalescent homes for the purpose of allowing the state to increase reimbursement rates to the homes under the state Medicaid program and to qualify for more federal Medicaid funds. (No Senate Floor Action)

IX. Policy Issues

The Sunset Advisory Commission reviewed the department (along with most health and human services agencies) during the 1997-99 review period. The Commission recommended that the department be continued for 12 years and made several recommendations regarding management and legislation for the department.

During the 76th Legislature in 1999, SB 369 proposed to continue the department for 12 years. The legislation passed the Senate. However, procedural issues in the House prevented the legislation's final passage. The agency eventually was continued for four years by "safety net" legislation (HB 2954).

Senate Bill 309 from the 77th Legislature continued the department until 2011, keeping the agency's original twelve-year cycle. The legislation also called for a limited purpose review for reviewing the appropriateness of the Sunset Advisory Commission's recommendations to the 76th Legislature. The commission is required to submit the review to the 78th Legislature.

Recommendation #1: Create a Family Assessment and Case Management Function to Address the Needs of Families on Public Assistance

Brief Description of Issue #1

Should DHS expand Case Management Services beyond the current initiatives and law?

Discussion

Assessment and Case Management have been functions of the Texas Workforce Commission (TWC) since the enactment of Welfare Reform. HB 477 passed this session authorizes DHS to enter into a MOU with TWC to develop a coordinated interagency case management plan.

The Department, in partnership with the TWC and Local Workforce Development Boards, currently operates the Employment Retention and Advancement (ERA) pilot program that includes intensive team-based case management. The Department has received a federal grant to conduct an evaluation of this program.

Assessment and coordination of support services for participants and families is an integral part of this case management model. Preliminary anecdotal information indicates that ERA participants participate in work activities and are employed at a higher rate than non-participants. In addition, information indicates that they receive higher-wage jobs. The evaluation will provide scientifically valid data on the benefits of assessment and case management as tools supporting self-sufficiency. Preliminary information indicates this model of service delivery effectively serves clients with significant barriers to employment, increases participation in work activities, and increases starting wages. It will be at least a year before we have any conclusive data and five years before the evaluation of this program is complete.

Possible Solutions and Impact

Continue to evaluate the ERA model of service delivery prior to expanding case management beyond current initiatives. While preliminary information supports this model of service delivery, it would not be prudent to dedicate substantial resources needed to replicate an intensive assessment case management model statewide until more conclusive data is collected.

Recommendation #2: Improve Access to Community Care Services for the State's Most Vulnerable Clients

Brief Description of Issue #2

Should DHS explore options to shorten the eligibility process so those in need of immediate services are not delayed?

Discussion

Federal guidelines allow 45 to 90 day time frames. SB 33 included a provision for presumptive eligibility, but it did not pass. The Legislature did pass SB 367, which establishes presumptive eligibility pilots; however, implementation is subject to available funding.

Access to community care is a two step process. First, Medicaid eligibility (or financial eligibility) is determined by the Medicaid Eligibility worker, which is time limited to 45 days. If it is necessary to get a disability determination for applicants, then a 90-day time limit applies.

The second step is case management, which is generally a simple process, but can consume several weeks as the applicant or their family conducts a selective investigation of the available home health agencies. After the selection, appointments must be made for a nursing assessment to be done by the agency chosen. This again consumes several weeks. Only then can our case managers begin the process of developing an individual case plan for the care of the individual.

A significant and chronic problem at this level is the shortage of case managers. Although the department has increased the allowable "slots" for community care, it has been unable to provide a corresponding increase in case manager positions, or an increase in funding for the eligibility process. The result has been a steady and crushing increase in caseloads. This places exceptional stress on those regions with an increasing apportionment of slots, without a corresponding increase in personnel to provide service to those applicants.

Possible Solutions and Impact

The agency should emphasize the importance of case managers in the overall delivery of total customer service and prioritize this effort as a primary funding initiative in the next legislative session. Reasonable caseloads would allow case managers to better assess client needs, which would improve service delivery and maximize service dollars.

Brief Description of Issue #3

Should the agency's interest lists be needs based instead of first come, first served?

Discussion

The agency's interest list policy does not address the risks of institutional placement for those individuals in most need of service. Public meetings were held in 1999 to obtain input. Even though the participants shared concern about people at risk, changing to a needs-based interest list was determined to be problematic. The Olmstead decision targets people residing in institutions and prioritizes them for community care over individuals residing in the community who may be at risk. The 77th Legislature passed SB 367 relating to appropriate care settings for persons with disabilities and SB 368 relating to permanency planning for children in institutions. SB 1 also includes a promoting independence rider that transfers funds from Nursing Facilities to Community Care Services to cover costs of clients relocating.

Possible Solutions and Impact

The agency currently uses Form 1204, the Long-Term Care Options cover letter to inform all Long-Term Care Medicaid applicants of all Long-Term Care choices, Medicaid and non-Medicaid, ranging from the simplest community-based service to nursing facility care.

Access to the information and to the needed support systems can be accomplished by the agency, however, this may increase the number of clients on interest lists. The actual enrollment into Community Care Services remains to be a challenge for the agency as demand exceeds supply.

Brief Description of Issue #4

Should unmet need be considered for the Community Based Alternatives (CBA) waiver as it is for CCAD services?

Discussion

Establishing an unmet need policy for CBA was considered by program staff but it was determined that it would not benefit either the clients or the Department. The CBA program is an option for nursing facility care. An unmet need policy for CBA could prevent an applicant from being approved for CBA, even though they met all the eligibility criteria for nursing facility care. Medicaid would pay for their care in the nursing facility, but wouldn't pay for CBA services in the community.

The Department is re-looking at an unmet need policy for CBA because Rider 7 of the Appropriations Act states DHS cannot terminate CBA services if those services are required for the individual to live in the most integrated setting, though the Department still needs to meet CMS' cost-effectiveness requirements.

Possible Solutions and Impact

Don't implement an unmet need policy for CBA.

Staff will present proposed rules in September 2001 to the DHS Board to implement this rider. Effective 9/1/01 CBA clients will no longer be terminated if they exceed their individual cost ceiling. Each request for a change in the service plan will be considered for approval if there is a change in the client's medical condition, functional needs or environment, or a change in the caregiver support/third party resources that have been providing services to the client. The determination will be made on the basis of the requested service being necessary and related to the participant's disability or medical condition.

The average cost per client for waiver services is expected to increase over time. As clients need more CBA services, and/or they lose their support (caregiver, Medicaid Home Health), the state will be paying more for their care. Unless there are additional appropriations as an offset to the increased cost per client, the Department may end up serving fewer clients.

Recommendation #3: Improve the Quality of Community Care Through Selective Contracting and Stronger Monitoring

Brief Description of Issue #5

Should the agency limit the use of provider enrollment contracts and move more toward selective contracting to minimize costs and increase provider accountability for client outcomes?

Discussion

Selective contracting would reduce the number of providers and provide the potential to improve service quality by contracting with the providers that have shown consistent higher quality. At issue is the competition for contracts that would result in a decrease in the number of providers in an area who are actually providing services.

DHS developed a proposed revision to contracting by convening a local advisory committee (consisting of service providers, consumers, consumer family members, and advocates). Proposed recommendations were presented for comment at three public meetings in early December 1999. Overall, public comments were against DHS developing a selective contracting pilot.

The Department decided to focus efforts on improving the performance of current providers. Contract Monitoring Guides for program compliance and for fiscal compliance were developed. Improved procedures for statewide contract monitoring and complaints investigations of community care services contracts were implemented for consistency in contract monitoring and complaint processing in the region, and adequate procedures and documentation in supporting findings. Sanction recommendations subsequent to program compliance monitoring or complaint investigation are reviewed by a central Sanction Action Review Committee to review and ensure consistency in the sanction process. Simple risk assessment was developed and implemented in 1998. New rules and procedures were effective December 2000.

Because of the desire to ensure adequate consumer choice, the number of Primary Home Care and Community Based Alternatives providers per county has been monitored beginning in 1999 to ensure that there remain two or more providers per county per contract type.

Possible Solutions and Impact

The Alternative Contracting Initiative (ACI) explores the development of alternative contracting systems for community care services. ACI will implement proposed contracting revisions for Primary Home Care (PHC) and Community Based Alternatives – Home and Community Support Services (CBA-HCSS). In addition, staff has expanded development to encompass all community care contracts to ensure consistency in contract monitoring in regions and adequate procedures and documentation in support of findings. ACI is investigating options for additional development of performance based contracting.

In order to promote fairness and improve the pool of providers that would compete for contracts, DHS could provide training and information as to the expected requirements of providers under selective contracting. This would include information not only about the quality of care, but also about improved business practices. The impact of such training would enable providers to be competitively involved in the selective contracting negotiations.

Recommendation #4: Require Performance Standards in Contracts for Nursing Facility Care

Brief Description of Issue #6

Should the department impose additional performance standards in Contracts for Nursing Facility Care that may require federal approval, additional survey staff and impose new requirements on an industry that appears to be struggling at this time?

Discussion

The department adopts the federal regulations at 42 Code of Federal Requirements (CFR) 483 as mandated by the Centers for Medicare and Medicaid Services (CMS) within its Nursing Facility Requirements for Licensure and Medicaid Certification, 40 Texas Administrative Code (TAC) 19. These are the regulations that CMS (formerly HCFA) requires from nursing facilities that want to participate in the Medicare and Medicaid Nursing Facility/Skilled Nursing Facility program for certification purposes. There is reference to these requirements in the Nursing Facility contract with the department.

DHS uses three complementary approaches:

- Statewide quality of care and resident satisfaction review process that focuses on priority quality in addition to improvement areas.
- Facility-specific quality reporting system (QRS) that serves primarily as a consumer information system -
- Performance-based payment methodology that provides additional funds to facilities on the basis of regulatory performance and resident outcomes.

The statewide quality review process is an evidence-based structured review of the care provided to a randomly selected sample of nursing facility residents. This process relies on on-site resident assessments performed by contracted geriatric care nurses using an assessment instrument that identifies the critical elements of *appropriate care* for each of the selected priority quality improvement areas. The assessment instrument and quality measures for each focus area are determined by panels of clinical experts and

reflect the current clinical literature. This yearly process provides a statewide picture for quality of care and consumer satisfaction; it also permits DHS to identify and report the *missing critical elements* in nursing home care that represent industry-wide opportunities for improvement. The first report may be found online at <http://www.dhs.state.tx.us/publications/rider32.PDF>.

Currently, the agency utilizes these federal standards as the basis for minimum standards by which to conduct both the annual survey and contract management. During the last legislative session, it was argued that the agency over-regulates nursing facilities and that there are too many rules/standards. Previous attempts to add additional standards have been met with resistance by the provider base.

Possible Solutions and Impact

Currently, the agency is exploring ways to balance fair regulatory enforcement with education, training and support to insure quality of care and the viability of the nursing home industry.

Brief Description of Issue #7

If the underlying notion is that the CMS contractual requirements are not at an adequate *minimum contract performance* standard, then what should define the minimum performance standards?

Discussion

Additional minimum contract performance standards at this time would be difficult since denying participation to any provider that currently qualifies to contract with DHS Long-Term Care could result in that provider's closure, thus displacing residents. It seems unlikely that any change in contracting requirements could be implemented within the next 24-months without causing a serious industry shake-up with an attendant loss of client *choice* and possibly creating access issues.

Possible Solutions and Impact

This recommendation supports the development and deployment of consumer information resources such as Quality Reporting System (QRS). The agency expects major changes in the federal definition of *service quality data* that may impact QRS. There is also a distinct possibility that there will be a future CMS-defined quality rating (or quality index) that could further complicate the issue.

Another external data source that can be utilized to implement an Early Warning System (EWS) is Utilization and Review (UAR) data currently collected by HHSC. This data could be used for contract monitoring and provider quality assessment. While this recommendation suggests that UAR data would be helpful in an Early Warning System, our work in developing a pilot Early Warning System did not demonstrate that this data was useful in predicting subsequently poor facility performance.

Recommendation #5: Strengthen Long-Term Care Regulation by Standardizing and Tracking Enforcement

Brief Description of Issue #8

How will the agency operationalize the staff reductions in the Long-Term Care Regulatory (LTCR) programs mandated by SB 1839, 77th Texas Legislature?

Discussion

With the passage of SB 1839, Informal Dispute Resolution staff will be transferred to HHSC potentially creating communication barriers in tracking timeliness and outcomes of informal appeals. This situation could create a block to the department's tracking of potential enforcement actions linked to an informal appeal. The loss of 82 staff, as the result of SB 1839, will negatively impact the agency's ability to meet federal timeliness requirements and will also cause an increased workload for remaining staff.

Possible Solutions and Impact

Implementing the changes mandated by SB 1839 will be a challenge to the program's ability to meet state and federal timeliness requirements. To help minimize this challenge, it is imperative that entry of enforcement data be done quickly and accurately. Communication links with HHSC will have to be strengthened and enhanced in order to facilitate the mutual and timely transfer of information related to Informal Dispute Resolutions (IDRs). Lastly, in order to maximize the efficiency of a smaller workforce faced with an increased workload, LTC-R will have to conduct a review of program functions and processes and make changes where efficiencies can be gained.

Brief Description of Issue #9

What can the agency do to alleviate the overall provider dissatisfaction with the Home and Community Support Services Agencies (HCSSA) and Long-Term Care Regulatory programs increased enforcement activity as a result of the passage of SB 190 and the transfer of HCSSA?

Discussion

Long-term care services providers complain that regulatory enforcement has increased over the past several years.

Possible Solutions and Impact

With the passage of SB 1839, quality monitors and rapid response teams must be created to assist providers in an effort to improve quality of care. These new components of the regulatory staff are intended to foster a more helpful supportive climate between LTC-R and providers. This represents a

different approach for the LTC-R program and the impact on provider satisfaction levels will be closely monitored.

Additionally, the agency will provide conflict management training to its survey staff, increase communication with providers regarding best practices, and other provider training on improving quality care.

Brief Description of Issue #10

Will the introduction of video cameras in nursing facilities significantly increase the number of complaints?

Discussion

Texas is the first state in the country to adopt a statute, which provides guidelines for the use of video cameras in nursing facilities. As a result, we will be charting new territory as we develop the implementing regulations and policies.

Possible Solutions and Impact

DHS is unsure what the impact of SB 177 (allowing video cameras in nursing facility rooms) will be regarding the type and number of complaints and investigations, the timeliness of these investigations, and enforcement actions taken against facilities. If the number of complaints increase because of this video monitoring, it is likely that visits to providers will also increase.

Recommendation #6: Require Performance Agreements for All DHS Regional Administrators

Brief Description of Issue #11

Should the agency have statewide consistency in their performance agreements for all DHS Regional Administrators?

Discussion

Some performance objectives may be region-specific and need to be included in the performance expectations for that region. However, it is important to have statewide consistency for regional administrators in most areas (e.g. quality control, timeliness tolerances, support services expectations). This helps ensure that clients across the state receive quality and timely services. Regional accountability has been a major focus for the department and HHSC.

Possible Solutions and Impact

Currently, Regional Administrators (RAs) identify management objectives for each fiscal year based on program performance and strategies for providing support services. An agreement between each Regional Administrator, the Deputy Commissioner for Regional Operations and the Commissioner (RA

Performance Assessment and Development Plan) is signed each year. The plan identifies performance objectives and key performance indicators on which each region's performance is evaluated.

- Revisions to the key performance indicators and performance objectives are made as needed, i.e. when changes occur or to ensure performance standards are consistent with legislation. Revisions are documented in the RA Performance Plan. Following each biennial legislative session, the Deputy Commissioner for Regional Operations along with the Regional Administrators review key performance indicators to assess the need for changes. Appraisal of regional performance is conducted annually by the Deputy for Regional Operations.
- Performance objectives are defined and measurable.
- Information on regional performance and assessments is provided in the agency annual report. Performance assessments in the report may be provided as a state total or regional or county figures.
- Each region developed a regional business plan that was incorporated into the Agency Business Plan. The plans, which are public documents, incorporated input from advocacy groups and the community.

Meeting the same level of need on a consistent basis in each region of the state remains the key driver in regional funding formulas. The Department cautions against establishing criteria, which would reduce services to individuals. Further, the Department recommends judicious use of reducing funds to a region with difficulties (such as Quality Control errors), as reduced funding could exacerbate problems.

Recommendation #7: Strengthen Family Violence Services Through Competitive Contracting and the Funding of Non-Residential Services

SB 47 - 77th Legislative session

- Defines a “family violence non-residential center” as a program that is operated by a public or private non-profit organization that provides comprehensive non-residential services to victims of family violence.
- Allows non-residential centers to be eligible for funding and establishes the eligibility criteria.
- Defines “family violence special project” as a project that is operated by a public or private nonprofit organization and provides at least one specialized family violence service.
- Allows DHS to contract with family violence special projects for services and establishes eligibility criteria.
- Requires DHS to develop and maintain a plan for delivering family violence services in the state and also requires DHS to competitively bid (when cost-effective) the required statewide contract for activities that support and advance the work of family violence centers.
- Requires DHS and PRS to coordinate provisions of violence prevention services for children.

Action taken by DHS includes the following:

- Implemented interagency workgroup in FY 2000 to address coordination of services for victims and children.
- Implemented four competitive non-residential center contracts since FY 1997. For recently legislated (SB 47) open enrollment non-residential center contracts, these requirements will be included as they are part of the bill that revises Chapter 51, Family Violence Centers.

Recommendation #8: Transfer the Administration of Certain Nutrition Assistance Programs from

DHS to the Texas Education Agency

The agency has no policy issues with this recommendation.

Recommendation #9: Transfer DHS Administrative Hearings to the State Office of Administrative Hearings**SB 374 - 76th legislative session**

The change in law made to Section 22.018, Human Resources Code, by this article relating to a contested case hearing conducted by the State Office of Administrative Hearings on behalf of the Texas Department of Human Services applies only to a hearing that begins on or after January 1, 2000. Notwithstanding any other provision of this article, a hearing that begins before that date is governed by the law in effect at the time the hearing begins, and that law is continued in effect for that purpose.

The commissioner of DHS and the chief administrative law judge of the State Office of Administrative Hearings may agree to transfer contested cases pending before the Texas Department of Human Services to the State Office of Administrative Hearings before January 1, 2000.

Implemented September 1999

Recommendation #10: Automation/Technology**Brief Description of Issue #11**

How should the agency address the transition from older information technology (IT) systems to new systems?

Discussion

DHS is currently dependent on old mainframe technology that is becoming increasingly expensive to maintain, when maintenance is available for these older products at all. DHS has the ongoing need to keep critical systems current, both to manage costs and to provide the responsiveness and customer service that DHS clients and the legislature expect. The current systems will become increasingly more expensive to operate unless this issue is aggressively confronted.

Whenever a large organization makes this kind of a transition the issues of stability, data integrity, and scalability arise. DHS must ensure that the transition to modern systems is achieved in a manner that preserves operational and data integrity both during and after the transition. Significant resources and planning are required to maintain established service levels while simultaneously upgrading the affected systems to meet current and future demands.

This transition also requires skilled staff to enact the change to the modern systems and to maintain the improved systems once they are in place. In addition, changes need to be made to some IT operating procedures to allow the MIS area of DHS to concentrate on its core business functions and to find outside solutions when they are cost efficient and appropriate.

Investment in these changes will allow DHS to provide high levels of service while avoiding unsustainable cost increases as the obsolete systems degrade and require increasingly expensive support.

Possible Solutions and Impact

DHS has already begun to address this pressing issue. DHS has adopted a systems engineering approach that maintains a global vision of the changes needed to maintain excellent service at a reasonable cost level. DHS is coupling this approach with a process of configuration management to manage system elements in a manner that maximizes their utility and reusability, minimizing the cost and disruption such a switch entails. DHS is developing and implementing multiple means of easing the system problems described above in the short term. These efforts include emphasizing an “open architecture” approach to IT systems that facilitates the reuse of existing system components in a way that extends the usefulness of current components.

The major element needed to support these efforts is a commitment of resources to the transition from the less reliable mainframe systems to new mid-tier and other solutions. These upgrades need to be included as a standard part of the DHS operating budget. Requesting the needed upgrades in a piecemeal fashion reduces the efficiencies of the systems engineering approach that is now in place.

In addition to the needed resources, the process can also be aided by an increased flexibility in contract procurement and management regulations. This increased flexibility would allow DHS to better concentrate on core functions by contracting for effective solutions when appropriate. Continuing and expanding the state’s commitment to recruitment and retention efforts for IT professionals can help the staffing issues presented by such a switch.

Brief Description of Issue #12

Will compliance with the Health Insurance Portability and Accountability Act (HIPAA) require significant changes to current Medicaid business practices and other Information Technology Systems?

Discussion

The HIPAA legislation specifies certain national standards for information technology systems (record formats, data formats, transaction and code-set identifiers) as well as standards for the privacy / security of healthcare information. This legislation targets the electronic interchanges of certain “healthcare” data between healthcare providers and payors, as well as transactions between the “enroller” and the healthcare plan. The transactions in the legislation are called “covered” transactions, and the entities that the legislation targets are referred to as “covered” entities.

For the most part, the systems operated by MIS for DHS customers do not engage directly in electronic file exchanges of covered transactions with either healthcare providers or healthcare plans. However, DHS has contracted business partners (primarily NHIC and Maximus) who engage in these electronic data exchanges.

Possible Solutions and Impact

The exact impact of HIPAA is difficult to forecast at this stage. Currently, HHSC is leading a HIPAA workgroup composed of attendees from affected HHSC agencies.

Although it is still unclear to what extent the DHS systems will be impacted, it is possible that the following systems (at a minimum) will be affected: Claims Management System, SAVERR, Managed Care, Premiums Payable, Medicaid Recipient Profile (MRP) and Medicaid IDs, and Pharmacy Claims.

Many of the changes will involve providing data in formats that are compatible with the new HIPAA regulations.

Appendix A

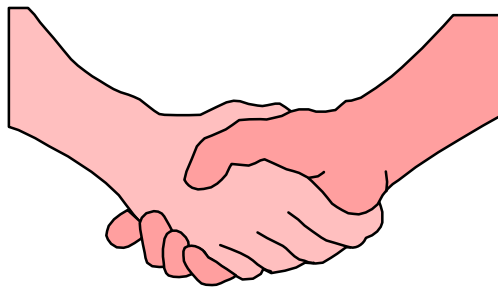


TEXAS

Department of
Human Services

INDIVIDUAL SERVICE PROFILES

COMMUNITY CARE PROGRAMS



TEXAS DEPARTMENT OF HUMAN SERVICES

JANUARY 2001

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Note: Title XX = Social Services Block Grant. These funds are limited; in some programs funded through XX there may be insufficient funds to serve all eligible applicants; in these cases waiting lists are established. In some programs, there are a specified number of openings (slots) established at the outset; once these openings are filled, waiting lists are established.

COMMUNITY BASED ALTERNATIVES

Service Description	The Community Based Alternatives (CBA) program will provide home and community-based services to aged and disabled adults as cost-effective alternatives to institutional care in nursing facilities.
Funding Source	Title XIX (Medicaid 1915 (c) home and community-based services waiver), State Matching Funds.
Covered Services	<p>Case Management is provided by DHS staff.</p> <p>Waiver services include:</p> <ul style="list-style-type: none"> • Adaptive Aids and Medical Supplies • Adult Foster Care • Assisted Living/Residential Care Services • Emergency Response Services • Nursing Services • Minor Home Modifications • Occupational Therapy • Personal Assistance Services • Physical Therapy • Respite Care • Speech Pathology Services • Home-delivered Meals
Client Eligibility	<p>Age: 21 or older</p> <p>Income/Resources: Be Medicaid eligible in the community under</p> <ul style="list-style-type: none"> • SSI; • MAO protected status: or • Meet the income and resource requirements for Medicaid benefits in nursing facilities, (effective January 1, 2001, \$1,590/month with resources of \$2000 for an individual. Spousal impoverishment provisions apply.) <p>Risk Assessment: Be determined at risk for nursing facility placement using the Resident Assessment Instrument for Home Care (RAI-HC)</p> <p>Medical Necessity: Meet the medical necessity determination for nursing facility care.</p> <p>Individual Plan of Care: Have an Individual Plan of Care for CBA services approved by DHS that does not exceed the nursing facility payment rate.</p> <p>Informed Choice: Choose waiver services instead of nursing facility care based on an informed choice.</p>
Service Maximum	The participant's Individual Plan of Care cannot exceed 100 percent of the individual's actual Texas Index for Level of Effort (TILE) payment rate.

Provider Base	Home & Community Support Services Providers Adult Foster Care Providers Assisted Living/Residential Care Providers Emergency Response Providers Home Delivered Meals Providers
Procurement Methodology	Open Enrollment
Reimbursement Methodology	Fee for Service
Rate per Service	Varies by service; most are hourly rates with a daily rate for adult foster care, assisted living/residential care, out-of-home respite care, emergency response services, home delivered meals and nursing assessments.
Annual Expense	
Fiscal Year (FY) 2000	\$302,076,897
Projected FY 2001	\$359,778,311
Clients	
FY 2000	23,722
Projected FY 2001	26,742
Number of Contracts	1,156 as of December 1, 2000
Service Availability	Statewide
Monitoring	DHS will perform: Authorization of services, Quality Assurance Reviews, Contract/standards compliance reviews.
Corrective Actions/ Sanctions	Corrective action plans Recoupment of Medicaid payments, Client hold, Vendor hold Contract cancellation/termination
Contact	Gerardo Cantú, Unit Manager 512-438-3693
To Apply	Contact your local DHS Community Care for Aged and Disabled Services office.

COMMUNITY BASED ALTERNATIVES SERVICES

- **Personal Assistance Services** — assistance to participant including assistance with the performance of the activities of daily living and household chores necessary to maintain the home in a clean, sanitary and safe environment. Persons receiving personal assistance services live in the community in settings other than Adult Foster Care homes or Assisted Living settings. The level of assistance provided is determined by the participant's needs for assistance and the plans of care. Personal Assistance Services may include the provision of health-related tasks delegated by a registered nurse in accordance with state rules promulgated by the Texas Board of Nurse Examiners and protective supervision.
- **Adaptive Aids and Medical Supplies** — devices, controls or medically necessary supplies which enable persons with functional impairments to perform activities of daily living or control the environment in which they live.
- **Adult Foster Care** — a 24-hour living arrangement in an enrolled DHS foster home for persons who, because of physical or mental limitations, are unable to continue residing in their own home. Services may include meal preparation, housekeeping, personal care, help with activities of daily living, supervision and the provision of or arrangements for transportation.
- **Assisted Living Services** — a 24-hour living arrangement in licensed personal care homes in which personal care, home management, escort, social and recreational activities, 24-hour supervision, supervision of/assistance with or direct administration of medications, and transportation are provided.
- **Emergency Response Services** — an electronic monitoring system for use by functionally impaired individuals who live alone or are isolated in the community. In an emergency, the participant can press a call button to signal for help. The electronic monitoring system, which has 24-hour, seven-day-a-week capability, helps insure that the appropriate persons or service agency respond to an alarm call from the participant.
- **Minor Home Modifications** — services which assess the need for, arrange for, and provide modifications and/or improvements to an individual's residence to enable him/her to reside in the community and to ensure safety, security and accessibility.
- **Nursing Services** — includes, but is not limited to, the assessment and evaluation of health problems and the direct delivery of nursing tasks, providing treatments and health care procedures ordered by a physician and/or required by a physician and/or required by standards of professional practice or state law, delegation of nursing tasks to unlicensed personal according to state rules promulgated by the Texas Board of Nurse Examiners, participating on the Interdisciplinary Team, developing the health care plan, and teaching individuals about proper health maintenance.

- **Occupational Therapy Services** — the full range of activities provided by an occupational therapist, or a licensed occupational therapy assistant under the direction of a licensed occupational therapist, within the scope of his state licensure.
- **Physical Therapy Services** — the full range of activities provided by a physical therapist or a licensed physical therapy assistant, under the direction of a licensed physical therapist, within the scope of his state licensure.
- **Respite Care Services** — temporary relief to persons caring for functionally impaired adults in community settings other than Adult Foster Care or licensed personal care homes. Respite services are provided on an in-home basis and out-of-home basis and are limited to 30 days per year. Room and board is included in the waiver payment for out-of-home settings.
- **Speech and/or Language Pathology Services** — the full range of activities provided by speech and language pathologists under the scope of their state licensure.
- **Home-delivered Meals** — provide nutritious meals served in the participants' home.

PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY (PACE) WAIVER PROJECT

Service Description	Provides community-based services to frail elderly people who qualify for nursing facility placement. Uses a comprehensive care approach, providing an array of services for a capitated monthly fee that is below the cost of comparable institutional care.
Funding Sources	Medicare (Title XVIII) 222 Waiver, Medicaid (Title XIX) 1115 Waiver, and private pay.
Covered Services	Any and all health-related services needed including in-patient and out-patient medical care, specialty services like dentistry and podiatry, social services, in-home care, meals, transportation, day activity and housing assistance.
Client Eligibility	<ul style="list-style-type: none"> • over age 55 • qualify for a nursing facility level of care (only at program entry) • qualify for Medicaid in a nursing facility • choose PACE services
Provider Base	Provided only through Bienvivir Senior Health Services, El Paso, Texas.
Procurement Methodology	One pilot site for demonstration program.
Reimbursement Methodology	<p>Agency reimbursed on a monthly capitated Medicaid rate that is equivalent to 95% of comparable nursing home costs.</p> <p>Medicare per diem rate based on Adjusted Average per Capita Cost (AAPCC)</p>
Units of Service	One month
Rate Per Unit of Service	\$2,379.54/month
Annual Expense	
Fiscal Year (FY) 2000	\$ 9,354,123
Projected FY 2001	\$12,135,654
Number of Contracts	1

Clients/Month FY 2000	345
Projected FY 2001	425
Service Availability	Designated areas of El Paso
Monitoring	<ul style="list-style-type: none">• Utilization review• Post-payment review
Corrective Action Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination/cancellation
Contact	Gerardo Cantú, Unit Manager 512-438-3693

PRIMARY HOME CARE

Service Description

Primary Home Care (PHC) is a non-technical, medically related personal care service prescribed by a physician as part of a client's plan of care. PHC is available to eligible clients whose health problems cause them to be functionally limited in performing activities of daily living.

PHC provider agencies have the option of providing Family Care services. Family Care is also a non-skilled, non-technical service provided to eligible clients who are functionally limited in performing daily activities.

PHC/Family Care services are provided by an attendant and do not require the supervision of a registered nurse.

Funding Source

PHC: Funds Title XIX, State
 Family Care: Social Services Block Grant, State Funds

Covered Services

1. Personal care. These services include assistance with activities related to the care of the client's physical health. These activities include bathing, dressing, grooming, routine hair and skin care, preparing meals, feeding, exercising, helping with self-administered medication, toileting, and transferring/ambulating.
2. Home management. These services include assistance with housekeeping activities that support the client's health and safety. These activities include changing bed linens, housekeeping, laundering, shopping, storing purchased items, and washing dishes.
3. Escort. Accompanying the client on trips to obtain medical diagnosis or treatment or both. This service does not include the direct transportation of the client by the attendant. Additional time may not be allocated for escort services for purposes other than to accompany the client on trips to obtain medical diagnosis and/or treatments. However, the client may elect to substitute escort services for time allotted to any other task.

Client Eligibility

Primary Home Care

Age: No limit
Income/resources: Medicaid or 1929(b) eligible
Functional Assessment Score: 24+

Functional limitation in personal care based on medical condition
Physician orders

Family Care	<p>Age: 18+</p> <p>Income: Medicaid recipient or not exceed: \$1,590/month for an individual</p> <p>Resources: \$3,180/month for a couple \$5,000 or less for a family care individual \$6,000 or less for a family care couple \$2,000 or less for a 1929(b) individual \$3,000/month or less for a 1929(b) couple 24+</p>															
	<p>Functional Assessment Score:</p>															
Service Maximum	50 hours/week; 42 hours/week for Priority 1 clients															
Provider Base	Home and Community Support Services Agencies															
Procurement Methodology	Open enrollment															
Reimbursement Methodology	Fixed unit statewide rate based on contractor cost report data collected annually.															
Unit of Service	One hour															
Rate Per Hour of Attendant Care	<table border="0"> <thead> <tr> <th></th> <th>Enhanced</th> <th>Non-enhanced</th> </tr> </thead> <tbody> <tr> <td>PHC (Non-Priority)</td> <td>\$ 8.56</td> <td>\$8.36</td> </tr> <tr> <td>PHC (Priority)</td> <td>\$10.13</td> <td>\$9.93</td> </tr> <tr> <td>Family Care (Non-Priority)</td> <td>\$ 8.56</td> <td>\$8.36</td> </tr> <tr> <td>Family Care (Priority)</td> <td>\$10.13</td> <td>\$9.93</td> </tr> </tbody> </table>		Enhanced	Non-enhanced	PHC (Non-Priority)	\$ 8.56	\$8.36	PHC (Priority)	\$10.13	\$9.93	Family Care (Non-Priority)	\$ 8.56	\$8.36	Family Care (Priority)	\$10.13	\$9.93
	Enhanced	Non-enhanced														
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Family Care (Non-Priority)	\$ 8.56	\$8.36														
Family Care (Priority)	\$10.13	\$9.93														
Annual Expense Fiscal Year (FY) 2000	<p>\$240,922,887 for XIX eligible — (PHC)</p> <p>\$143,140,944 for 1929(b) eligible — (FE)</p> <p>\$ 37,110,976 block grant — (Family Care)</p>															
Projected FY 2001	<p>\$262,077,561 for XIX eligible — (PHC)</p> <p>\$166,245,461 for 1929(b) eligible — (FE)</p> <p>\$ 43,702,989 block grant — (Family Care)</p>															
Number of Contracts	486															

<p>Clients/Month FY 2000</p>	<p>PHC (XIX): 40,500 FE [1929(b)]: 24,334 Family Care (Block Grant): 7,650</p>
<p>Projected FY 2001</p>	<p>PHC (XIX): 42,659 PHC [1929(b)]: 27,191 Family Care (Block Grant): 8,813</p>
<p>Service Availability</p>	<p>Statewide in every county.</p>
<p>Monitoring</p>	<p>Utilization control which consists of</p> <ul style="list-style-type: none"> • a system of prior approval by the Community Care to Aged and Disabled (CCAD) department regional nurse; • Periodic monitoring by DHS contract manager
<p>Corrective Action Sanctions</p>	<p>Corrective action plan Vendor hold, Client hold, Contract termination/cancellation Recoupment of funds</p>
<p>Contact</p>	<p>Cathy Horton, Unit Manager 512-438-4259</p>

DAY ACTIVITY AND HEALTH SERVICES

Service Description	Day Activity and Health Services facilities provide daytime services Monday through Friday to clients residing in the community in order to provide an alternative to placement in nursing homes or other institutions. Services are designed to address the physical, mental, medical, and social needs of clients.				
Funding Source	Title XIX, State Funds, Social Services Block Grant (Title XX)				
Covered Services	<p>Services include the following:</p> <ul style="list-style-type: none"> • nursing and personal care; • physical rehabilitation; • noon meal and snacks; • transportation; and • social, educational, and recreational activities. 				
Client Eligibility	<p>Age: No limit Income: For XIX - must be SSI eligible For Title XX - \$1,590/month for an individual \$3,180/month for a couple Resources: \$5,000 or less for an individual if not SSI eligible \$6,000 or less for a couple if not SSI eligible</p> <ul style="list-style-type: none"> • Medical diagnosis and physician's orders requiring care or supervision by a licensed nurse. • A functional disability related to medical diagnosis. • The need for assistance with one or more personal care tasks. 				
Service Maximum	10 units/week (5 days)				
Provider Base	Licensed adult day care facilities				
Procurement Methodology	Open enrollment				
Reimbursement Methodology	Fixed unit statewide rate based on facility cost report data collected annually				
Unit of Service	Half-day (3-less than 6 hours)				
Unit Rate	<table border="0"> <tr> <td>Enhanced</td> <td>\$13.13 per half day</td> </tr> <tr> <td>Non-enhanced</td> <td>\$13.03 per half day</td> </tr> </table>	Enhanced	\$13.13 per half day	Non-enhanced	\$13.03 per half day
Enhanced	\$13.13 per half day				
Non-enhanced	\$13.03 per half day				

Annual Expense	<u>Title XIX</u>	<u>Title XX</u>
Fiscal Year (FY) 2000	\$62,462,234	\$2,967,761
Projected FY 2001	\$72,882,181	\$3,731,182
Number of Contracts	321	
Availability of Service	Statewide in every region	
Clients/Month	Title XIX	Title XX
FY 2000	12,596	631
Projected FY 2001	14,009	768
Monitoring	Utilization control which consists of	
	<ul style="list-style-type: none"> • a system of prior approval of medical need by the Community Care to Aged and Disabled (CCAD) regional nurse; • periodic monitoring by DHS contract manager. 	
	Annual licensing inspection by the Texas Department of Human Services	
Corrective Action/ Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination/cancellation	
Contact	Cathy Horton, Unit Manager 512-438-4259	

HOME-DELIVERED MEALS

Service Description	Home-delivered Meals program is the provision of a nutritious meal. The meal is taken to the client's home.
Funding Source	Social Services Block Grant, Local Resources, State Funds
Covered Services	Meals delivered to the home.
Client Eligibility	<p>Age: 18+</p> <p>Income: Medicaid recipient or not exceed:</p> <ul style="list-style-type: none"> • \$1,590/month for an individual • \$3,180/month for a couple <p>Resource: \$5,000 or less for an individual \$6,000 or less for a couple</p> <p>Functional Assessment Score: 20+</p> <p>Functionally limited in preparing meals.</p>
Provider Base	Local community agencies, private and public agencies, and area agencies on aging.
Procurement Methodology	Sole source
Reimbursement Methodology	Unit rate
Unit of Service	One meal
Rate Per Unit of Service	Negotiated up to \$4.88 (Unit rate ceiling)
Annual Expense	
Fiscal Year (FY) 2000	\$10,414,954
Projected FY 2001	\$10,455,935
Number of Contracts	120
Clients/Month	
FY 2000	11,731
Proposed FY 2001	12,986
Service Availability	Statewide in every region. Other resources, such as the Texas Department on Aging meals program, are considered as contracts are developed.

Monitoring	Regional staff monitor agencies as needed during the contract year Annual contract evaluation
Corrective Action/ Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination/cancellation
Contact	Cathy Horton, Unit Manager 512-438-4259

EMERGENCY RESPONSE

Service Description	Emergency response services are provided through an electronic monitoring system used by functionally impaired adults who live alone or who are socially isolated in the community. In an emergency, the client can press a call button to signal for help. The electronic monitoring system, which has a 24-hour, seven-day-a-week monitoring capability, helps to ensure that the appropriate person or service agency responds to an alarm call from a client.
Funding Source	Social Services Block Grant, State Funds
Covered Services	An electronic monitoring system that the client can use to signal for help in case of an emergency.
Client Eligibility	<p>Age: 18+</p> <p>Income: Medicaid recipient or not exceed:</p> <ul style="list-style-type: none"> • \$1,590/month for an individual • \$3,180/month for a couple <p>Resources: \$5,000 or less for an individual \$6,000 or less for a couple</p> <p>Functional Assessment Score: 20+</p> <p>Have/Be:</p> <ul style="list-style-type: none"> • Alone routinely for eight or more hours per day; • The mental capacity to operate the equipment; • A telephone with a private line, if the system requires a private line to function properly; and • Willing to sign a release statement that allows the responder to make a forced entry into the client's home if he is asked to respond to an activated alarm call and has no other means of entering the home to respond.
Service Maximum	Not applicable
Provider Base	Public agencies or private nonprofit or profit corporations that are either chartered with or authorized by the Secretary of State to transact business within the state and have a 24-hour, seven-day-a-week emergency response monitoring capability. Providers must meet licensure requirements of the Texas Board of Private Investigators and Private Security Agencies.
Procurement Methodology	Provider enrollment

Reimbursement Methodology	Fixed unit rate is negotiated for each contract. Fixed unit statewide rate ceiling based on contractor cost report data.
Unit of Service	One month
Rate per Unit of Service	Unit rate ceiling: \$29.34
Annual Expense	
Fiscal Year (FY) 2000	\$3,287,036
Projected FY 2001	\$3,889,024
Number of Contracts	85
Clients/Month	
FY 2000	12,720
Projected FY 2001	14,798
Service Availability	Statewide
Monitoring	Regional contract monitoring visits
Corrective Action Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination/cancellation
Contact	Cathy Horton, Unit Manager 512-438-4259

RESIDENTIAL CARE

Service Description	<p>The Residential Care (RC) program provides services to eligible adults who require access to care on a 24-hour basis but do not require daily nursing intervention. Services include but are not limited to personal care, home management, escort, 24-hour supervision, social and recreational activities, transportation, food, and room.</p> <p>Services provided under the RC program are delivered through one of two arrangements: supervised living and emergency care.</p> <p>Supervised living is a state-funded 24-hour living arrangement in which the client is expected, if able, to contribute to the total cost of his care. The client keeps a monthly allowance for personal and medical expenses, and the remainder of his income is contributed to the total cost of his care.</p> <p>Emergency care is a state- or Title XX-funded living arrangement that provides services to eligible clients while caseworkers seek a permanent care arrangement. Emergency care clients do not contribute toward the cost of their care.</p>
Funding Source	State Funds
Client Eligibility	<p>Age: 18+</p> <p>Income: Medicaid recipient or not exceed:</p> <ul style="list-style-type: none"> • \$1,590/month for an individual • \$3,180/month for a couple <p>Resources: \$5,000 or less for an individual \$6,000 or less for a couple</p> <p>Functional Assessment Score: 18+</p> <p>Have needs that do not exceed the facility's capability under its licensed capacity.</p>
Service Maximum	Not applicable.
Provider Base	Facilities licensed as assisted living facilities.
Procurement Methodology	Provider enrollment.
Reimbursement Methodology	Fixed unit statewide rate based on contractor cost report data collected annually.

Unit of Service	One day		
Rate Per Unit of Service	Apartment Setting:	Enhanced	Non-Enhanced
	Non-Apartment Setting:	\$40.56	\$40.36
	Bedhold:	\$33.95	\$33.75
		\$14.05	\$14.05
Annual Expense			
Fiscal Year (FY) 2000	\$6,303,769		
Projected FY 2001	\$6,916,443		
Number of Contracts	194		
Clients/Month			
FY 2000	804		
Projected FY 2001	839		
Service Availability	Available in every region but not in every county.		
Monitoring	Texas Department of Human Services, Licensing Section, reviews the facility at least once a year. Contractor performance monitored at least annually.		
Corrective Action/ Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination/cancellation		
Contact	Cathy Horton, Unit Manager 512-438-4259		

ADULT FOSTER CARE

Service Description	<p>Adult Foster Care (AFC) provides a 24-hour living arrangement with supervision in an adult foster home for persons who, because of physical, mental, or emotional limitations are unable to continue independent functioning in their own homes.</p> <p>Providers of AFC must live in the household and share a common living area with the clients. With the exception of family members, no more than three adults may live in the foster home unless it is licensed by the Texas Department of Human Services.</p>
Funding Source	Social Services Block Grant Funds
Covered Services	Services may include minimal help with personal care, help with activities of daily living, and provision of or arrangement for transportation. The client pays the provider for room and board.
Client Eligibility	<p>Age: 18+</p> <p>Income: Medicaid recipient or not exceed:</p> <ul style="list-style-type: none"> • \$1,590/month for an individual • \$3,180/month for a couple <p>Resources: \$5,000 or less for an individual \$6,000 or less for a couple</p> <p>Functional Assessment Score: 18+</p>
Service Maximum	Not applicable
Provider Base	Individual providers
Procurement Methodology	Open enrollment
Reimbursement Methodology	Fixed unit statewide rate
Unit of Service	One day
Rate Per Unit of Service	\$14.13 per day
Annual Expense	
Fiscal Year (FY) 2000	\$1,254,744
Projected FY 2001	\$1,607,831
Number of Providers	137

Clients/Month FY 2000	250
Projected FY 2001	315
Availability	Statewide in every region
Monitoring	Quarterly home visits Annual reassessment for compliance with standards, including fire and health inspections
Corrective Action/ Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination
Contact	Cathy Horton, Unit Manager 512-438-4259

CONSUMER MANAGED PERSONAL ASSISTANT SERVICES

Service Description	Personal assistant services are provided through agencies having a Personal Assistance Services license to mentally competent physically disabled clients who are willing to supervise their attendant or who have someone who can provide the personal assistant's supervision. Clients interview, select, train, supervise and release their personal assistants. The contract agencies determine client eligibility, the amount of care needed, develop a pool of potential personal assistants, and provide emergency back-up personal assistant capability.
Funding Source	Social Services Block Grant, State Funds
Covered Services	Personal Assistant care provided as needed by attendants selected by personal assistants selected by the client. Health-related tasks prescribed by physician.
Client Eligibility	<p>Age: 18+</p> <p>Income: Medicaid recipient or not exceed: sliding fee when income is greater than \$1,200/month for an individual or \$1,200/month for a couple</p> <p>Personal skill: must be mentally and emotionally capable of self-directing the care.</p> <p>Physical disability: disability must be expected to last at least six months from the date eligibility is determined.</p> <p>Personal care task: must need at least one personal care task.</p>
Service Maximum	Varies according to contracted unit rate. Reimbursement cannot exceed the nursing facility weighted average cost.
Provider Base	May include local governments, home and community support service agencies, independent living centers.
Procurement Methodology	Competitive procurement (provider enrollment being tested in Houston).
Reimbursement Methodology	Unit rate
Rate per Hour	Unit rates range from \$8.56 to \$9.83 per hour
Annual Expense	
Fiscal Year (FY) 2000	\$6,447,486
Projected FY 2001	\$8,080,693

Number of Contracts	12
Clients/Month	
FY 2000	530
Projected FY 2001	654
Service Availability	<p>Region 01- Lubbock, Potter, and Randall Counties</p> <p>Region 03- Dallas, Tarrant, Denton, Collins, Rockwall, Kaufman, Ellis, Johnson, and Hood Counties</p> <p>Region 05- Angelina, Orange, Jefferson, Hardin, Newton, Nacogdoches, Shelby, and Jasper Counties</p> <p>Region 06- Harris, Montgomery, and Fort Bend Counties</p> <p>Region 07- Travis County</p> <p>Region 08- Bexar, Atascosa, Comal, Guadalupe, Kendall, Medina and Wilson Counties</p> <p>Region 10- El Paso County</p> <p>Region 11- Hidalgo, Bee, Live Oak, Nueces, Refugio, Kleburg, Jim Wells, and Willacy Counties</p> <p>An interest list exists in all regions.</p>
Monitoring	Regional and state office staff monitor these agencies as needed during the contract year
Corrective Action/ Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination/cancellation
Contact	Steve Schoen, Program Specialist 512-438-2622

RESPITE CARE

Service Description	The Respite Care program provides short-term services for elderly and disabled adults who require care and/or supervision while allowing their caregivers temporary relief. Services may be provided inside or outside of the home.
Funding Source	State Funds
Covered Services	<p>Services may be provided:</p> <ul style="list-style-type: none"> • In a nursing home or hospital, and include personal care, nursing intervention, supervision, meal preparation, and a room. • In an adult foster care home or personal care home, and include personal care, housekeeping, supervision, meal preparation, transportation, and a room. • In an adult day health care facility, and include personal care, nursing services, supervision, meal preparation, and transportation. • In the individual's own home by a home care attendant, and include personal care, housekeeping, meal preparation, supervision, and transportation. • In the individual's own home by a sitter, and include housekeeping, meal preparation, and supervision.
Client Eligibility	<p>Age: Elderly or disabled adult Medicaid recipient or not exceed:</p> <p>Income:</p> <ul style="list-style-type: none"> • \$2,250 for a couple, if not CCAD client • \$1,590/month for an individual • \$3,180 for a couple, if CCAD clients <p>Need care or supervision or both. Have a caregiver who needs relief from caregiving. Responsibilities because of severe stress or who is temporarily unable to provide care.</p>
Service Maximum	336 hours (14 days) per year
Provider Base	Home and Community Support Service agencies, adult day health care facilities, adult foster care homes, personal care homes, nursing homes, hospitals, local respite care provider agencies.
Procurement Methodology	Formal agreements

Reimbursement Methodology	<p>Unit rate</p> <p>Rates</p> <ul style="list-style-type: none"> • Hospital: \$67.31/day (maximum) • Nursing home: Medicaid vendor rate appropriate to the level of care or negotiated flat rate • Personal care home (non-apartment setting): \$33.95/day (maximum) • Adult day health care: \$13.13/half day (maximum) • In-home care attendant: \$8.56/hour (maximum) • In-home sitter: \$6.81/hour (maximum) • Personal care home (apartment setting) \$40.56/day (maximum) • Adult foster care: \$14.13/day (maximum)
Annual Expense	
Fiscal Year (FY) 2000	\$1,277,404
Projected FY 2001	\$1,299,118
Number of Contracts	85
Clients/Month	
FY 2000	470
Projected FY 2001	470
Service Availability	Statewide
Monitoring	Regional and state office staff monitors these agencies as needed during the contract year.
Corrective Action/ Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination/cancellation
Contact	Cathy Horton, Unit Manager 512-438-4259

IN-HOME AND FAMILY SUPPORT

Service Description	Direct grant benefits to individuals with physical disabilities and/or his family to purchase services that enable him/her to live in the community. Eligible individuals are empowered to choose and purchase services that help them to remain in their own home.
Funding Source	State Funds
Covered Services	<p>Services include:</p> <ul style="list-style-type: none"> • Purchase or lease of special equipment or architectural modifications of a home to facilitate the care, treatment therapy, or general living conditions of a person with a disability. • Medical, surgical, therapeutic, diagnostic and other health services related to a person's disability. • Counseling and training programs that help provide proper care of an individual with a disability. • Attendant care, home health services, home health aide services, homemaker services, chore services that provide assistance with training, routine body functions, dressing, preparing and consuming food, and ambulating. • Respite care. • Transportation services. • Pre-approved transportation and room and board cost incurred by person with physical disability or his family during evaluation or treatment. • Other disability related services prior-approved by the Texas Department of Human Services (DHS)
Client Eligibility	<p>Age: 4+</p> <p>Copayment schedule established. Begins at</p> <p>Income: 105% of the state median income for household size.</p> <p>Physical disability which substantially limits the</p> <p>Disability: individual's ability to function independently.</p>
Reimbursement Methodology	<p>Written bids are submitted by vendors to client. Lowest bid amounts provided to client for payment to vendor.</p> <p>Rate of reimbursement varies according to item/service purchased by the client, or his/her family.</p>
Unit of Service	Varied

Rate per Unit of Service	<ul style="list-style-type: none"> • Up to \$3,600 (lifetime) for the purchase of minor housing modifications or for adaptive aids or special equipment. • Up to \$3,600 (annually) for the purchase of services and supplies. 		
Annual Expense			
Fiscal Year (FY) 2000	\$6,500,000		
Projected FY 2001	\$6,500,000		
Number of Contracts	N/A		
Clients / Month	Subsidy	Capital	Total
FY 2000	3,150	725	3,875
Projected FY 2001	3,150	725	3,875
Service Availability	Statewide in every county. Program has a very lengthy waiting list in all areas.		
Monitoring	Certifications/recertification by DHS regional staff. On-site reviews by DHS.		
Sanctions	Failure to provide receipts for services/items purchased results in denial of benefits and possible restitution.		
Contact	Debbie Berliner, Program Specialist 512-438-3199		
To Apply	Contact your local DHS Community Care office		

COMMUNITY LIVING ASSISTANCE AND SUPPORT SERVICES

Service Description	<p>The Community Living Assistance and Support Services (CLASS) program provides home and community-based services to people with related conditions as a cost-effective alternative to ICF-MR/RC institutional placement. People with related conditions are people who have a disability, other than mental retardation, which originated before age 22 and which affects their ability to function in daily life.</p> <p>There are two service providers: one provides independent case management for CLASS; the other provides all other services. The CLASS service model focuses on client independence and integration of the client into everyday community life.</p>
Funding Source	Title XIX (Medicaid 1915(c) home and community-based services waiver), State Matching Funds
Covered Services	<p>Services include:</p> <ul style="list-style-type: none"> Case Management Habilitation Respite Care Nursing Services Psychological Services Physical Therapy Occupational Therapy Speech Pathology Adaptive Aids/Supplies Minor Home Modifications Specialized Therapies

Client Eligibility	<p>Age: No limit (but age of onset of disability must be prior to age 22).</p> <p>Income/Resources: The applicant must be:</p> <ul style="list-style-type: none"> • an individual who would be financially eligible for Medicaid if residing in a Medicaid-certified institution; • SSI eligible; • eligible for Medicaid benefits under a federally mandated protective status; or • a disabled child who would be eligible for Medicaid if institutionalized and if parental income is not deemed to the child. <p>Meet the institutional Level of Care criteria for Intermediate Care Facilities for people with related conditions (ICF-MR/RC). Must have a demonstrated need for habilitation services and case management.</p> <p>Have individual service plan for waiver services approved by DHS that does not exceed 125% of the cost of ICF/MR institutional cost.</p> <p>Reside in the geographic catchment area.</p>
Service Maximum	The cost of the waiver services cannot exceed 125% of the average cost of ICF/MR/RC institutional care.
Provider Base	Public and private agencies
Procurement Methodology	Competitive procurement
Reimbursement Methodology	Unit rate for direct service Monthly rate for case management
Rate per Unit of Service	The unit rate varies by type of service.
Annual Expense	
Fiscal Year (FY) 2000	\$32,515,016
Projected FY 2001	\$39,087,982
Number of Contracts	50
Clients / Month	1,137
FY 2000	1,344
Projected FY 2001	
Service Catchment Areas:	75 Counties

Longview/Tyler Area:

Smith
Gregg
Harrison
Henderson
Rusk
Upshur
Van Zandt
Wood
Anderson

Lubbock Area:

Lubbock
Crosby
Floyd
Hale
Hockley
Lamb
Terry
Lynn
Garza

San Antonio Area:

Bexar
Bandera
Comal
Guadalupe
Kendall
Kerr

Houston Area:

Harris
Brazoria
Ft. Bend
Galveston
Montgomery

Fort Worth Area:

Tarrant
Hood
Johnson
Parker
Wise

Dallas Area:

Dallas
Collin
Denton
Ellis
Kaufman
Rockwall

Corpus Christi Area:

Nueces
Jim Wells
Kleberg
San Patricio

McAllen Area:

Brooks
Duval
Webb
Jim Hogg
Kenedy
Zapata
Cameron
Hidalgo
Starr
Willacy

Service Catchment Areas:
(continued)

Austin Area:

Travis
Bastrop
Blanco
Caldwell
Hays
Williamson

El Paso Area:

El Paso
no expansion

Abilene/San Angelo Area:

Taylor
Coke
Nolan
Runnels
Tom Green
Scurry, Mitchell, Sterling

Amarillo Area:

Potter
Randall
Armstrong
Carson

Midland/Odessa Area:

Midland
Andrews
Ector
Martin

Beaumont Area:

Jefferson
Chambers
Hardin
Liberty
Orange

Monitoring

Initial and contract certification reviews
Prior approval of service
Service control monitoring
Quality assurance reviews (in cooperation with consumer representatives)
Fiscal monitoring

Corrective Action /
Sanctions

Corrective action plan
Recoupment of Medicaid payments
Vendor hold, Client hold,
Contract termination/cancellation

Contact

Tommy Ford, Unit Manager
512-438-3689

Interest List Information: 1-877-438-5658

SPECIAL SERVICES TO PERSONS WITH DISABILITIES

Service Description	Special Services to Persons With Disabilities include services provided to community care clients in a variety of settings. These currently include providing interpreter services to deaf clients in the community and adult day care for clients with special needs.
Funding Source	Social Services Block Grant, Local Resources, State Funds
Covered Services	Counseling, personal care, and help with the development of skills needed for independent living in the community
Client Eligibility	<p>Age: 18+</p> <p>Income: Medicaid recipient or not exceed:</p> <ul style="list-style-type: none"> • \$1,590/month for an individual • \$3,180/month for a couple <p>Resource: \$5,000 or less for an individual \$6,000 or less for a couple</p> <p>Functional Assessment Score: 9+</p>
Provider Base	Public agencies and non-profit organizations
Procurement Methodology	Sole source
Reimbursement Methodology	Cost reimbursement or unit rate
Unit of Service	Varies depending on service provided
Rate Per Unit of Service	Varies depending on reimbursement methodology
Annual Expense	
Fiscal Year (FY) 2000	\$1,138,666
Projected FY 2001	\$1,149,631
Number of Contracts	5
Clients/Month	
FY 2000	138
Projected FY 2001	137
Service Availability	Available in Regions 03, 04, 05, and 07

Monitoring	Regional staff monitor agencies as needed during the contract year Annual contract evaluation
Corrective Action/ Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination/cancellation
Contact	Cathy Horton, Unit Manager 512-438-4259

**SPECIAL SERVICES TO PERSONS WITH DISABILITIES
24-HOUR ATTENDANT CARE**

Service Description	Special Services to Persons With Disabilities-24 hour attendant care makes attendant care available to clients on a 24-hour basis. Clients live independently in clustered living arrangements and use this service to achieve habilitative or rehabilitative goals.
Funding Source	Social Services Block Grant, State Funds
Covered Services	Around the clock availability of attendant care in a clustered living environment.
Client Eligibility	<p>Age: 18+</p> <p>Income: Medicaid recipient or not exceed:</p> <ul style="list-style-type: none"> • \$1,590/month for an individual • \$3,180/month for a couple <p>Resource: \$5,000 or less for an individual \$6,000 or less for a couple</p> <p>Functional Assessment Score: 9+</p> <p>Functionally limited in activities of daily living.</p>
Provider Base	Centers for independent living, home health agencies.
Procurement Methodology	Competitive procurement unless environment dictates sole source procurement.
Reimbursement Methodology	Unit rate
Unit of Service	One day
Rate Per Client Day	The contracted unit rate must not exceed the nursing facility weighted average cost.
Annual Expense	Included in Special Services to Persons with Disabilities Budget
Number of Contracts	1
Clients/Month	35 (included in Special Services to Persons with Disabilities count)
Service Availability	Houston

Monitoring	Regional staff monitor the provider as needed during the contract year Annual contract evaluation
Corrective Action/ Sanctions	Corrective action plan Vendor hold, Client hold, Contract termination/cancellation
Contact	Cathy Horton, Unit Manager 512-438-4259

PROGRAM FOR PEOPLE WHO ARE DEAF-BLIND WITH MULTIPLE DISABILITIES

Service Description	<p>This Medicaid Waiver Program provides home and community-based services to people who are Deaf-Blind with Multiple Disabilities (DB-MD) as a cost-effective alternative to ICF-MR/RC institutional placement.</p> <p>The DB-MD Program provides consumers with a choice of three options for residential support:</p> <ol style="list-style-type: none"> 1. residing in one’s own home or apartment with supports; 2. residing with one’s parents/guardians with support; or 3. residing in group homes with support. <p>The DB-MD program focuses on increasing opportunities for consumers to communicate and interact with their environment.</p>
Funding Source	Title XIX (Medicaid 1915(c) home and community-based services waiver), State Matching Funds
Covered Services	<p>Services include:</p> <ul style="list-style-type: none"> • Case Management • Assisted Living • Intervenor • Habilitation • Respite Care • Nursing Services • Orientation and Mobility • Behavior Communication Services • Physical Therapy • Occupational Therapy • Speech Therapy • Chore Provider • Adaptive Aids/Supplies • Environmental Accessibility
Client Eligibility	<p>Age: 18+</p> <p>Income/Resources: The applicant must be:</p> <ul style="list-style-type: none"> • SSI eligible; • Eligible for Medicaid benefits under a federally mandated protective status; • Meet ICF-MR/RC Level-of-Care criteria; • Have Deaf/blindness with a third disability resulting in a demonstrated need for daily habilitation services; and • Individual Plan of Care for waiver services approved by DHS.
Service Maximum	There is an individual client cost ceiling based on 115% of the average cost of receiving services in an ICF-MR/RC facility.

Provider Base	Public and private agencies
Procurement Methodology	Modified open enrollment
Reimbursement Methodology	Unit rate for direct service Hourly rate for case management
Rate per Unit of Service	The unit rate varies by type of service.
Annual Expense	
Fiscal Year 2000	\$3,767,858
Projected FY 2001	\$4,710,055
Number of Contracts	15
Clients/Month FY 2000	96
Projected FY 2001	118
Service Catchment Areas:	Statewide availability. As this is a low incidence population, there are currently 23 counties in which individuals are currently served.
Monitoring	<ul style="list-style-type: none"> • Initial and annual monitoring for compliance with standards and achievement of outcomes. • Prior approval of service.
Corrective Action/Sanctions	<ul style="list-style-type: none"> • Corrective action plan • Recoupment of Medicaid payments • Client hold • Vendor hold • Contract termination/cancellation
Contact	<p>Stephen Schoen, DB-MD Medicaid Waiver (DHS) Phone: 512-438-2622 Toll free message: 1-877-438-5658 Email: steve.schoen@dhs.state.tx.us</p>

MEDICALLY DEPENDENT CHILDREN PROGRAM (MDCP)

Status of MDCP	MDCP has transferred to Texas Department of Human Services as of September 1, 2001
Service Description	<p>The Medically Dependent Children Program (MDCP) provides a variety of services to support families caring for children who are medically dependent and to encourage deinstitutionalization of children in nursing homes.</p> <p>MDCP Mission: To support families who provide care for a medically dependent child in their home.</p> <p>MDCP Goals: To support community/family inclusion of medically dependent children To remain cost neutral To promote permanency planning for MDCP children</p>
Funding Source	Title XIX Medicaid 1915 (c) home and community based services waiver, State-matching funds.
Covered Services	<p>Case management is provided by DHS state office staff located in the regions. Waiver services include:</p> <p><u>Respite</u> – a service which provides the primary caregiver(s) temporary relief from care of a waiver participant during times when the caregiver would normally provide the care.</p> <p><u>Adjunct Services</u> - a diverse array of approved, individualized, disability-related services that support: participation in child care participation in post-secondary education, or independent living.</p> <p><u>Minor Home Modifications</u> – a physical modification to a participant's home, which is necessary to prevent institutionalization or to support deinstitutionalization. Examples include: ramps, doorway widening, and bathroom modifications</p> <p><u>Adaptive Aids</u> – a device necessary to treat, rehabilitate, prevent or compensate for conditions resulting in disability or loss of function. May include: van or vehicle lifts, and/or environmental control units (e.g. voice activated light switches, and/or other medically necessary and appropriate adaptive aids not covered by other sources.</p>
Client Eligibility	Age: under 21

Residence:	live in Texas
Income/Resources:	Be Medicaid eligible in the community SSI (TP 13) or Meet the SSI disability criteria as well as financial criteria based on the child's Income/Resource(TP 14)
Medical Necessity:	Meet the medical necessity determination for nursing facility care.
Service Available	Statewide, first come – first serve basis
Annual Expense Fiscal Year (FY 2000)	\$15.7 million a year: \$14.1 million for client services – 90% \$ 1.6 million for administrative – 10%
MDCP Participants	Enrolled: 1035 (as of 8-31-01) Interest List: 2637 (as of 8-31-01)
Participant's Services	Individual Plan of Care (IPC): The IPC is developed with the participant and/or primary caregiver(s) and approved by the participant's physician, during the initial eligibility determination and annual eligibility renewal process. The IPC services will be based on the participant's TILE level for the cost allowance. Informed Choice: Choose waiver services instead of nursing facility care based on informed choice. MDCP participants have freedom of choice on how to spend their cost allowance and ability to choose whichever type of provider they desire.
Service Maximum	Cost Allowance: The maximum annual cost allowance is the maximum dollar amount available for reimbursement for a participants waiver services, which is 63% of the annual amount assigned to the participant's Texas Index for Level of Effort (TILE) designation for skilled nursing facility as of September 1, 1996. TILE: Texas Index for Level of Effort (TILE) is classification system to determine cost allowance for MDCP participants. TILE classifications are numbered TILE 201 through 211. TILE 201 is highest intensity of care and TILE 211 is lowest intensity of care.
Provider Base	Home & Community Support Services Providers Independent RNs Independent LVNs CAMP Licensed Child Care Facilities
Procurement Methodology	Open Enrollment
Reimbursement	Fee for Service

Methodology

Rate per Service

Varies by service provider based on hourly rates

Monitoring

MDCP Providers - monitoring conducted by DHS state office staff

MDCP Participants – face-to-face monitoring done by MDCP nurse and caseworker at initial/annual review, mid-year and then at least two phone contacts during IPC year.

Sanctions

Time limited corrective action plans

Recoupment of Medicaid payments

Vendor hold

Contract cancellation/termination

Contact

Lori Roberts, Director, MDCP

512-438-5391

To apply

Complete pre-application form and send to Central Office

1-877-438-5658

Appendix B



TEXAS
Department of
Human Services

LONG TERM CARE MEDICAID ELIGIBILITY IN TEXAS (TITLE XIX)

The Texas Department of Human Services is responsible for determining eligibility for the Title XIX (Medicaid) Programs.

Title XIX provides medical care and supportive services (i.e., vendor drugs, nursing home and institutional care) to individuals that qualify for Medicaid under one of the following groups.

To access the Medicaid Eligibility Rules on the Internet follow the steps below:

1. Go to **www.sos.state.tx.us/tac**
2. Select **"How To Use The New Texas Administrative Code Viewer."**
3. Towards the bottom of that page there is a statement that says, **"To**
4. A menu will appear titled, **"Texas Administrative Code: Titles."**
Select **"Title 40 Social Services and Assistance."**
5. Select **"Part 1 Texas Department of Human Services."**
6. Select **"Chapter 15 Medicaid Eligibility."**
7. Select the subchapter you desire.

view the TAC, P

CATEGORIES OF ASSISTANCE

1. Supplemental Security Income (SSI - Type Program 12 and 13)

The SSI program is administered by the Social Security Administration. Under "cover all" provisions contained in Public Law 92-603, Texas contracted with the Social Security Administration to make Medicaid eligibility determinations for all individuals found eligible for the SSI program. Individuals found eligible for SSI are automatically determined eligible for Medicaid. The Social Security Administration notifies the State of all accretions and deletions to the SSI rolls via a computer network called the State Data Exchange System (SDX).

2. Prior Months Coverage

A. General

In addition to the creation of the SSI program, Public Law 92-603 contained provisions to extend Medicaid benefits backward in time to cover the three month time period prior to application for assistance, if there are unpaid or reimbursable medical bills for the prior months. Denied SSI applicants and those applying for Medical Assistance Only (MAO) are potentially eligible. The provisions also included deceased individuals, when a bona fide agent requests application services. Eligibility for this program is determined by the Department's Medicaid eligibility staff.

B. Two Months Prior (Type Program 11)

Public Law 104-193, Section 3502.4, of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PROWORA), changed policy for retroactive Medicaid coverage for individuals found eligible for SSI. Effective July 1997, the Texas Department of Human Services automatically adds Medicaid coverage for the month prior to the first month of actual SSI payment. The individual may also apply for coverage for the two preceding months if he/she has unpaid or reimbursable medical bills and meets all Medicaid eligibility requirements in those months.

3. Medical Assistance Only (MAO) for Aged, Blind, and Disabled

Public Law 92-603, Public Law 93-66, Section 233, and Public Law 94-566, Section 503, extend Medicaid eligibility to certain groups that were excluded under the provisions of the SSI program. Eligibility for the following programs is determined by the Department's Medicaid eligibility staff.

A. SSI-Related MAO (Type Program 14)

Individuals residing in Title XIX approved long term care facilities who meet SSI eligibility criteria except for income. Countable income must be equal to or less than the institutional income limit established by the Department (currently \$1,593 for an individual and \$3,186 for a couple). An individual must live in one or more Title XIX long term care facilities at least 30 consecutive days to be eligible under the institutional income limit. The following categories are included in this group:

- 1) Individuals of any age in Title XIX approved nursing facilities who meet medical necessity and risk assessment criteria.
- 2) Individuals of any age in Title XIX approved sections of state schools and private facilities for the mentally retarded.
- 3) Individuals age 65 and over in Title XIX approved sections of state hospitals (Institutions for Mental Disease).

B. Rider 51 MAO (Type Program 51)

Medicaid eligible individuals whose income exceeds the Department's Title XIX institutional income limit since July 1, 1979, because of a cost-of-living increase in pension or retirement benefits continue to be eligible for medical benefits under the provisions of the DHS Appropriation Bill. To remain eligible under this program, individuals must continue to meet Title XIX long term care facility-based eligibility requirements with the exclusion of the applicable cost-of-living increases from countable income. This program is funded with 100% state funds.

C. Sponsored - In Aliens

Federal regulations require states to provide Medicaid to Aliens ineligible for SSI owing to deeming of income/resources from their sponsors. Deeming from sponsors does not apply in the Medicaid program. The clients must meet all other SSI eligibility criteria and are certified as TP03 SIG C.

D. RSDI Increase MAO

Individuals denied SSI due to certain increases in Social Security benefits may continue to be eligible for Title XIX coverage. There are several groups who may be eligible under this program.

- 1) Individuals who were receiving both public assistance and Social Security benefits in August 1972. These individuals must meet current SSI or SSI-related MAO eligibility criteria, with the exclusion from income of the amount of the October 1972, 20% Social Security cost-of-living increase. (Type Program 03)
- 2) Individuals who are denied SSI cash benefits for any reason since April 1977. They must meet all current SSI eligibility criteria with the exclusion of any Social Security cost-of-living increases received since they were eligible for and received both SSI and Social Security benefits in the same month. The earliest cost-of-living increase that can be excluded is the increase received in July 1977. (Type Program 03 - Pickle Amendment)
- 3) Individuals who were denied SSI due to a re-computation of their Social Security disabled widows/widowers benefits for January 1984. They must meet SSI eligibility criteria with the exclusion of the re-computation increase and any subsequent Social Security cost-of-living increases from countable income. Individuals had to have filed an application before July 1, 1988, to be eligible under this program.

Enrollment for this program ended June 30, 1988. (Type Program 03 - COBRA 1985)

- 4) Individuals who are denied SSI after July 1, 1987, and who meet SSI eligibility criteria when qualifying RSDI disabled adult children's benefits are excluded from countable income. (Type Program 18 - SOBRA 1986)
- 5) Individuals age 60 to 65 who are ineligible for Medicare and who are denied SSI due to excess widow/widower's RSDI benefits. They must meet SSI eligibility criteria with the exclusion of their RSDI benefit and any subsequent cost-of-living increases from countable income. (Type Program 22 - OBRA 1987)
- 6) Individuals age 50 to 60 who are ineligible for Medicare and who are denied SSI due to excess disabled widow/widower's and surviving divorced spouse's RSDI benefits. They must meet SSI eligibility criteria with the exclusion of their RSDI benefit and any subsequent increases from countable income. (Type Program 22 - OBRA 1990)

E. Home and Community-based Waiver

Information is the same for all 1915(c) programs described in D, numbers 1-6.

1) Waiver for Medically Dependent Children

Medically dependent children and young adults under age 21 who are eligible for SSI, mandated community based program (TP-03), determined eligible for Medicaid in the community using institutional income/resource limits or children under age 18 who are eligible for Medicaid using institutional income/resource limit disregarding the income/resources of their parents/guardian, and require licensed nursing services. Children eligible for certain Temporary Assistance for Needy Families (TANF) related programs and children in certain Foster Care Medicaid programs may be eligible for MDCP Waiver services. This program has a limited enrollment and is an alternative to institutionalization. The program has its statutory basis in Section 1915(c) of the Social Security Act. This program is administered by the Texas Department of Health.

2) Home and Community-based Services (HCS)

Individuals residing in the community who are eligible for SSI, mandated community-based programs (Type Programs 03, 18 or 22), children under age 18 who are eligible for Medicaid in the community

using institutional income/resource limits disregarding the income/resources of their parents/guardian or individuals over age 18 who are Medicaid eligible using institutional income/resource limits. Children eligible for certain TANF-related programs and/or children in certain Foster Care programs may be eligible for HCS Waiver services. The individual must meet criteria for medical necessity (MN) in an Intermediate Care Facility for Mental Retardation (ICF/MR). This program has a limited enrollment and is an alternative to institutionalization. The program has its statutory basis in Section 1915(c) of the Social Security Act. This program is administered by the Texas Department of Mental Health and Mental Retardation.

3) Community Living Assistance and Support Services (CLASS) Program for Persons with Related Conditions

Individuals residing in the community who are eligible for SSI, mandated community-based programs (Type Programs 03, 18 or 22), children under age 18 who are eligible for Medicaid in the community using institutional income/resource limits disregarding the income/resources of their parents/guardian or individuals over age 18 who are Medicaid eligible using institutional income/resources limits. Effective October, 1993, children eligible for certain TANF-related programs and children in certain Foster Care Medicaid programs may also be eligible for CLASS Waiver services. The individual must meet criteria for medical necessity (MN) in an Intermediate Care Facility for the Mentally Retarded/Related Condition (ICF-MR/RC). This program has a limited enrollment and is an alternative to institutionalization. The program has its statutory basis in Section 1915(c) of the Social Security Act.

4) Home and Community-based Services - OBRA (HCS-O)

Certain individuals who reside in nursing facilities and have a diagnosis of mental illness, mental retardation, or a related condition as determined through a Pre-Admission Screening and Annual Resident Review (PASARR). The individual must be residing in a nursing facility at the time of admission to the waiver and be eligible for institutional Medicaid under SSI or using institutional income and resource guidelines. The local Mental Health Mental Retardation (MHMR) Authority is charged, along with the Texas Department of Mental Health Mental Retardation, with placing these individuals in appropriate community settings. Because this program is limited to certain catchment areas, clients may be required to move from their current location to access the HCS-O Waiver services. The program provides community alternatives to nursing facility placement. The program has its statutory basis in the Omnibus Budget Reconciliation

Act of 1990 (OBRA-90) and Section 1915(c) of the Social Security Act. This program is administered by the Texas Department of Mental Health and Mental Retardation.

5) Community-Based Alternatives (CBA)

Individuals age 21 and over residing in the community who are eligible for SSI, mandatory community-based programs (Type Programs 03, 18, or 22), or are Medicaid eligible using institutional income/resource limits. The individual must meet criteria for medical necessity in a nursing facility, meet the risk assessment criteria, and have an approved individual service plan (ISP). This program has limited enrollment and is an alternative to institutionalization. Services that may be provided have certain restrictions on the amount that may be spent. The program has its statutory basis in Section 1915(c) of the Social Security Act.

(6) Deaf Blind/Multiple Disability (DB/MD) Waiver

Effective March 1, 1995, individuals age 18 and older who have been determined deaf, legally blind and who have multiple disabilities, who are eligible for SSI, and are eligible for Medicaid in the community using the institutional income/resource limits. The individual must have obtained an ICF-MR/RC VIII Level of Care and have an Individual Plan of Care (IPC) determined that can be met by the services available in the waiver. In addition, the individual must have a signed and dated IPC signifying all parties agree to the plan and have a signed and dated Freedom of Choice notice. This program is administered by the Texas Department of Human Services.

F. Program for All-Inclusive Care of the Elderly (PACE)

Individuals age 55 and older with chronic medical problems and functional impairments, who meet SSI criteria and are Medicaid eligible using the institutional income/resource limits. Individuals must meet criteria for medical necessity (only required for program entry.) Individuals must live in the specific catchment area (certain El Paso, Texas, zip codes.) This program provides community-based services for frail elderly people who would qualify for nursing facility placement. A comprehensive care approach is used to provide an array of medical, functional and day activity services for a capitated monthly fee that is below the cost of comparable institutional care.

G. Emergency Medicaid Coverage for Aliens (Type Program 30)

Certain aliens with an emergency medical condition who meet all SSI criteria, except citizenship, may be eligible for Medicaid coverage for the medical emergency. Some aliens may now get ongoing Medicaid and TP30, though not simultaneously.

H. 1929(b) (Type Program 14)

Individuals who are not eligible under a Medicaid program and have a functional need for Title XIX Primary Home Care services. The intent of the program is to delay/prevent the need for institutional care; therefore, countable income must be equal to or less than the Department's institutional income limit. Eligible individuals do not receive regular Medicaid benefits. They are only entitled to Primary Home Care services. The program has its statutory basis in Section 1929(b) of the Social Security Act.

4. Qualified Medicare Beneficiary (QMB - Type Program 24)

Public Law 100 - 360 created a new coverage group of low income Medicare beneficiaries. Individuals eligible for this program do not receive regular Medicaid benefits. They are entitled to payment of Medicare premiums (both Part A and B), deductibles and coinsurance fees for Medicare-covered services. These individuals must be enrolled in Medicare Part A, have countable income of no more than 100% of the federal poverty guidelines and have countable resources no more than twice the SSI resource limit. (Individuals may be eligible under both a Medicaid or the 1929(b) program and the QMB program. Such individuals remain under the Medicaid type program and are identified by a unique code on the Department's computer.)

5. Specified Low-Income Medicare Beneficiaries (SLMB - Type Program 23)

Section 4501(b) of the Omnibus Reconciliation Act (OBRA) 1990, created a new coverage group of specified low-income Medicare beneficiaries beginning January 1, 1993. Individuals eligible for this program do not receive regular Medicaid benefits. They are entitled only to payment of Medicare Part B premiums. The individual must be enrolled in Medicare Part A and must meet all of the eligibility requirements for QMB status, except for income in excess of the QMB income limit of 100%, but less than 120% of the federal poverty level. Individuals may be eligible under both a Medicaid or the 1929(b) program and the SLMB program. Such individuals remain under the Medicaid type program and are identified by a unique code in the Department's computer.

6. **Qualifying Individuals (QI-1s and QI-2s)**

Public Law 105-33, of the Balanced Budget Act of 1997 created two new Medicare cost-sharing groups, effective January 1, 1998. The new coverage groups, called Qualifying Individuals (QIs), must meet the eligibility criteria [for Qualified Medicare Beneficiary Program (QMB)], except the income limits are higher. Eligibility is determined for each calendar year. **QI clients cannot be eligible under any other Title XIX funded program and receive QI benefits simultaneously.**

- A. **QI-1 Clients** - Are entitled to payment of the Medicare Part B monthly premium amount. These individuals must be enrolled in Medicare Part A, have countable income of at least 120% but less than 135% of the current federal poverty level and have countable resources no more than twice the SSI resource limit.
- B. **QI-2 Clients** - Are entitled to payment of the portion of the Medicare Part B premium that results from the shift of home health benefits from Medicare Part A to Medicare Part B. These individuals must be enrolled in Medicare Part A, have countable income of at least 135%, but less than 175% of the current federal poverty level and have countable resources no than twice the SSI resource limit.

7. **Qualified Disabled Working Individuals (QDWI - Type Program 25)**

Public Law 101-239 created a new coverage group effective July 1, 1990, of disabled working individuals entitled to Medicare Part A, hospital coverage. Individuals eligible for this program do not receive regular Medicaid benefits. They are entitled only to payment of Medicare Part A premiums. These individuals must be enrolled in Medicare Part A, not otherwise eligible for Medicaid, have countable income of no more than 200% of the federal poverty guidelines, and have countable resources of no more than twice the SSI resource limit.

8. **SSI Denied Children (Type Program 19)**

Public Law 104-193 created a new coverage group because of a change in the disability criteria. This program continues Medicaid benefits for children who were receiving SSI as of August 22, 1996, and were denied on or after July 1, 1997, because of the change in disability criteria. To be eligible for TP 19, the individual must continue to meet all SSI criteria, including the disability criteria in effect prior to August 22, 1996, and must be under age 18.

ELIGIBILITY CRITERIA

Following are the basic eligibility requirements for each categorical assistance program (except TANF and TANF-related MAO):

1. **Supplemental Security Income (SSI)** - To qualify for SSI the individual must:
 - A. Be at least 65 years of age, be blind within the definition of the law, or be disabled within the definition of the law.
 - B. Be a United States citizen or a qualified legal alien. A qualified legal alien is one who has worked 40 quarters for social security purposes, who is active-duty military or an honorably discharged veteran (or the spouse/dependant child of such a veteran), and certain refugees/asylees, and individuals whose deportation has been deferred.
 - C. Be a resident of the United States (and a resident of Texas to qualify under the Texas Medicaid Program).
 - D. Have insufficient income and resources to provide reasonable subsistence compatible with health and decency (see later explanation of Resources and Income).

2. **Medical Assistance Only (MAO)** - Dependent upon the Type Program, the Department must apply different sets of eligibility criteria:

These individuals do not receive cash assistance and are described in #3 A-G above.

The basic eligibility requirements for these groups are the same as those listed for the SSI program. However, resource and income criteria may differ.

3. **Qualified Medicare Beneficiary (QMB)** - SSI-related criteria with the exception of Medicare Part A enrollment and income/resource limits.

4. **Qualified Working Disabled Individuals (QDWI)** - SSI-related criteria with the exception of Medicare Part A enrollment, income/resource limits, and must not otherwise be eligible for Medicaid.
5. **Specified Low-Income Medicare Beneficiaries (SLMB)** - SSI-related criteria with the exception of Medicare Part A enrollment and income/resource limits.
6. **Qualifying Individuals-1 (QI-1)** - SSI-related criteria with the exception of Medicare Part A enrollment, income/resource limits, and must not otherwise be eligible for Medicaid.
7. **Qualifying Individuals-2 (QI-2)** - SSI-related criteria with the exception of Medicare Part A enrollment, income/resource limits, and must not otherwise be eligible for Medicaid when certified as QI-2 eligible.

RESOURCES

Countable resources must be no more than the following limits:

TP 03, 11, 14, 18, 19, 22, 30, 51	\$2,000 Individual \$3,000 Married Couple
TP 23, 24, 25, QIs	\$4,000 Individual \$6,000 Married Couple

Following are basic eligibility requirements regarding resources:

SSI-Related MAO, SLMB, QMB, and QIs
(TP 03, 11, 14, 18, 19, 22, 23, 24, 25, 30, 51)

1. **Homestead:** is exempt provided the individual, spouse, or dependent relative lives in the home. There is no limit on the value or extent of the homestead. However, a client who applies for and receives Medicaid benefits in Texas is not allowed to exclude a homestead in another state. Absence from a homestead may result in loss of its homestead status and exemption unless the individual declares his intent to return.
2. **Other real property:** current equity value is a countable resource.
3. **Life Insurance:** life insurance policy of \$1500 face value per insured or less is exempt. If face value exceeds \$1500 per insured, cash value must be considered a resource.

4. **Savings, cash, investments, and others:** the total value less penalties for early withdrawal is a countable resource.
5. **Automobile:** one is excluded if its current retail value is \$4500 or less or any value if used for medical or employment transportation. Value in excess of \$4500 is a countable resource. The equity value of all other vehicles is a countable resource.
6. **Disposal of Property:** Transfer of assets provisions apply to institutional and home and community-based waiver program.

* Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66) revised policy for assets (income and resources) transferred on or after August 11, 1993, where an uncompensated value remains. The law provides for a 36-month look-back period for uncompensated transfers of assets (or a 60-month look-back period for certain transfers involving trusts) and an indefinite penalty period.
7. **Burial Plots:** Are excluded if paid in full and intended for use of the individual or immediate family.
8. **Burial Funds:** Separately identifiable funds or liquid assets that are designated for burial may be excluded, up to \$1,500, provided the individual does not also own excludable whole life insurance or burial trust.

SPOUSAL IMPOVERISHMENT PROVISIONS - MEDICARE CATASTROPHIC COVERAGE ACT (PUBLIC LAW 100-360)

Special resource provisions from Spousal Impoverishment were effective October 1, 1989 for institutionalized persons with community spouses. The resource provisions apply only to those persons who are institutionalized on or after September 30, 1989, for continuous periods defined as 30 consecutive days or more.

The couple's combined resources, without regard to community/separate property laws or the spouse's respective ownership interests, are evaluated as of 12:01 a.m. on the first day of the month of institutionalization. In determining total resources, the following assets are excluded regardless of value: home, household goods, and one automobile. A protected resource amount is subtracted from the couple's combined countable resources in determining what portion to test against the resource limit. This protected resource amount is determined as of the initial period of institutionalization. The protected resource amount is the greater of the following:

- the state minimum resource standard of \$17,400;
- one-half of the couple's combined countable resources (not to exceed \$87,000).

The protected resource amount may be assessed any__ime from the beginning of institutionalization to when an application for Medicaid assistance is filed.

NOTE: In certain instances, the PRA may be expanded through the fair hearing process for the purpose of generating additional monthly income for the community based spouse.

Examples of Budgets for Institutionalized Clients with Community Spouses

A. Upon nursing home entry, Mr. and Mrs. Allen's combined countable resources are \$18,000.

1. \$18,000 divided by 2 = \$9,000 Spousal share
2. The protected resource amount is the greater of:
 - \$9,000 Spousal share (not to exceed \$87,000)
 - OR
 - \$17,400 state minimum spousal resource standard.
3. Thus, the protected resource amount is \$17,400.

MAO application was filed the same month.

\$ 18,000.00	Countable resources
<u>17,400.00</u>	Resource amount
\$ 600.00	Compared to appropriate resource standard for an individual

At the first annual redetermination of eligibility, only resources available to or in the name of the institutionalized spouse are considered.

B. Upon nursing home entry, Mr. and Mrs. Bond's combined countable resources are \$40,000.

1. \$40,000 divided by 2 = \$20,000 Spousal share
2. The protected resource amount is the greater of:
 - \$20,000 Spousal share (not to exceed \$87,000)
 - OR
 - \$17,400 state minimum spousal resource standard.
3. Thus, the protected resource amount is \$20,000.

MAO application was filed ten months later. Mr. and Mrs. Bond's combined resources are reduced to \$22,000 as of 12:01 on the first day of the month of application.

\$22,000.00	Combined countable resources
<u>-20,000.00</u>	Protected resource amount
\$ 2,000.00	Compared to appropriate resource standard for an individual

At the first annual review, the PRA exclusion ends. All resources that remain in the name of the client are considered in determining eligibility. Countable resources cannot exceed the \$2,000 resources limit for the client to remain eligible for medical assistance.

NEEDS AND INCOME

For SSI purposes, unmet need is the difference between countable income (income after exclusions and disregards) and the Federal Benefit Rate (FBR) as determined by the Social Security Administration. An SSI check is issued for the amount of the unmet need. The FBR varies based on living arrangement. Following are the applicable rates as of August 1, 2001:

An individual (with or without an ineligible spouse)	
-- residing in own home	\$531.00
-- residing in a Title XIX facility throughout a calendar month	\$ 30.00

An eligible couple

-- residing in own home	\$796.00
-- residing in a Title XIX facility throughout a calendar month	\$ 60.00

Eligible SSI clients residing in a nursing facility or ICF-MR facility will continue to receive their \$30.00 check from the Social Security Administration. Effective September 1, 2001, the state of Texas will pay these SSI clients an additional \$30 check per month.

The Department uses the same budgetary amounts to determine eligibility for the two/three month prior program, the RSDI increase MAO programs and emergency coverage for aliens and children. However, if unmet need is established, no payment is made but the individual is determined eligible for Medicaid benefits (if all other criteria are met).

For individuals in long term care facilities, the Department uses upper and lower limits to determine income eligibility. The lower limit is determined by the appropriate SSI income limits (i.e., \$531 for the month of entry into a facility and \$30.00 for subsequent months). Individuals with income less than the SSI limits are included in the scope of the SSI program. Therefore, Medical Assistance Only does not apply and eligibility continues to be determined by the Social Security Administration.

Federal regulations require that for a state to receive federal matching funds, an individual's gross income must not exceed a maximum of three times the SSI FBR for institutional and home and community-based waiver programs. As of August 1, 2001, this maximum is \$1,593 for an individual or \$3,186 for a couple. An exception is made for individuals who establish an approved qualifying income trusts.

If an individual is institutionalized in one or more Title XIX long term care facilities and were in a Medicaid approved bed for at least 30 consecutive days, he may be eligible under the institutional income limit as early as the first of the month of entry into the facility, provided he meets all other eligibility criteria for institutional care. For example: John Doe enters the nursing facility from his own home on January 15 and applies for Medicaid the same month. His monthly income consists of a Social Security check for \$560. He can be eligible for SSI-related MAO (Type Program 14) beginning January 1st provided he remains in the nursing facility through February 14 (the 30th day since admission), and meets all other eligibility criteria.

Income of an ineligible spouse is deemed available to an individual if they reside together during a month. This does not apply in institutional or home and community-based waiver cases. In months they do not reside together, the spouse's income is ignored in determining the individual's eligibility for assistance.

Individuals in long term care facilities and certain home and community-based waiver programs who qualify for Medical Assistance Only do not receive a cash grant from

the Department. Instead, a payment is made to the care providers. After initial eligibility is determined, a budget is constructed based on the appropriate rate, minus the individual's countable income. Rates vary based on the type of facility, the type of care needed by the patient, and the actual cost to provide the care.

For the Qualified Medicare Beneficiary, Specified Low-Income Medicare Beneficiaries, Qualifying Individuals, and Qualified Disabled Working Individual programs, SSI-related criteria are used with the exception of income and resource limits.

INCOME

Countable income must be less than the following limits:

TP 03, 11, 18, 19, 22, 30	\$ 531.00 for an individual \$ 796.00 for a couple
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Countable income must be no more than the following limits:

TP 14, 51	\$1,593.00 for an individual \$3,186.00 for a couple
TP 24	\$ 716.00 for an individual \$ 968.00 for a couple
TP 25	\$1,432.00 for an individual \$1,935.00 for a couple

Countable income must be less than the following limits:

TP 23	\$ 859.00 for an individual \$1,161.00 for a couple
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Countable income can equal but be less than the following limits:

TP 23-QI-1s	\$879 - \$ 987 for an individual \$1181 - \$1327 for a couple
QI-2s	\$987 - \$1273 for an individual \$1327 - \$1714 for a couple

For purposes of determining eligibility, income is defined as the receipt of anything received in cash or in-kind which an individual can apply, either directly or by sale or conversion, to meet his basic needs for food, clothing, and shelter. An individual's income includes all of his own income in cash or in-kind, both earned and unearned. It also may include the income of his/her eligible spouse. For individuals residing with an ineligible spouse, certain income is deemed from that ineligible spouse to the individual or in the case of a minor, income is deemed from the parents to the child. Deeming is not considered for individuals in home and community-based waiver programs.

Earned Income: includes gross wages and net earnings from self-employment and is considered as income only when received rather than at the time earned.

Unearned Income: is any income not defined as earned income and includes support and maintenance, federal benefits and other pensions, prizes and awards, inheritances and gifts, proceeds from life insurance, alimony, rent, interest, dividends, royalties, etc.

Countable Income: is the amount of an individual's income, after all exclusions have been given. This is the amount that is used to determine eligibility.

INCOME EXCLUSIONS FOR ELIGIBILITY DETERMINATIONS

There are two types of income exclusions: special income exclusions and general income exclusions. Special income exclusions refer to income that is totally exempt from consideration such as tax refunds, grants, scholarships, home produce for home consumption, and infrequent or irregular income. General income exclusions refer to deductions from available income (if any).

General Income Exclusions

SSI-Related MAO for TP03, TP11, QIs TP18, TP19, TP22, TP23, TP24, TP25, TP30	SSI and SSI-Related MAO for TP14 and TP51 *
The first \$20.00 of any kind of income is excluded.	No exclusion allowed when the institutional income limit is used to determine eligibility.
First \$65.00 of earned income plus half of the remainder is excluded.	No exclusion is allowed when the institutional income limit is used to determine eligibility.

* All income exclusions apply only in determining eligibility for assistance.

INCOME APPLIED TO INSTITUTIONAL CARE COSTS (APPLIED INCOME)

In institutional situations, a separate budget is made to determine the amount of income an eligible individual must pay towards the cost of care in the medical facility (applied income). Mandatory withholdings (income tax, Social Security tax, retirement, uniform expenses) from earned income are disregarded. Deductions from the client's remaining income are as follows:

Personal Needs Allowance - For individuals, a living allowance of \$60.00 is deducted from gross income. For eligible couples, \$120.00 is deducted from combined gross income.

Spousal Needs Allowance - An allowance of \$2,175 per month for the community spouse. This amount is deducted from the couple's combined monthly income. Where the community spouse's monthly income exceeds \$2,175, there is no spousal needs allowance. (A dependent allowance may also be deducted for the couple's child (minor or adult), parent or sibling (including half-siblings, step siblings and siblings acquired through adoption) of either spouse who was living in the client's home prior to the client's absence, who continues to reside with the community spouse, and who cannot support himself outside the home owing to medical, social or other reasons. The dependent allowance is determined by calculating for each dependent the deficit remaining after subtracting his total income from \$1,452, adding the deficits for all dependents, and dividing the total by three.)

Deduction of Incurred Medical Expenses - Public Law 100-360 requires the department to deduct, when determining a client's applied income, certain incurred medical expenses not covered by a third party. The department limits

these expenses to Medicare and other general health insurance premiums, deductibles, and coinsurance, and medical care and services that are recognized by state law but not covered under the Medicaid state plan. Deductions are not allowed for medical services received before the client's medical effective date (MED). (The department pays the Medicare premiums for clients who are also eligible for QMB/SLMB benefits; therefore, the premiums are not incurred expenses for QMB/SLMB clients.)

The department does not allow deductions for:

1. items covered by the institutional facility rates;
2. covered services that are beyond the amount, duration, and scope of the Medicaid state plan;
3. services covered by the Medicaid state plan but delivered by non-Medicaid providers; or
4. premiums for cancer or other disease-specific insurance policies, income maintenance policies, or general health insurance policies with benefits that cannot be assigned.

The amount of applied income is deducted from the approved rate. The Department pays the remaining costs directly to the facility.

INTERMEDIATE CARE FACILITY FOR THE MENTALLY RETARDED (ICF-MR) CARE

Eligible individuals in approved ICF-MR facilities have their budgets computed as above unless they have earned income.

The \$60 personal needs allowance (PNA) is always deducted from unearned income first. In addition, the client retains a portion of his earnings. If earnings are \$30 or less, the client retains all of his earnings. If earnings exceed \$30 but not \$120, the client retains the first \$30 of earnings plus one-half the remainder, up to the maximum of an additional \$45 (total of \$75 maximum). If earnings exceed \$120, the client retains \$75 of the first \$120 and 30% of earnings in excess of \$120.

EXAMPLES OF INCOME BUDGETS

MAO Institutional Programs

A. Individual in a Title XIX Facility (MAO - Type Program 14)

Mr. Adams enters a Title XIX nursing facility and meets medical necessity criteria.

Eligibility Budget

\$800.00	Social Security
<u>\$130.00</u>	Private Pension
\$930.00	Total Income

< \$1,593 Institutional Income Limit

Applied Income Budget

\$930.00	Total Income
<u>- 60.00</u>	Personal Needs Allowance
\$870.00	
<u>- 50.00</u>	Part B Medicare Premium
\$820.00	Income to be applied to cost of care

B. Individual In a Title XIX ICF-MR Facility (MAO - Type Program 14)

Mr. Bell is residing in a Title XIX ICF-MR facility and is classified as needing ICF-MR care. Mr. Bell's only income is his monthly workshop earnings.

Eligibility Budget

\$200.00	Gross Monthly Earnings
< \$1,593	Institutional Income Limit

Applied Income Budget

\$120.00	First \$120 of Net Monthly Earnings (no mandatory withholdings)
<u>- 60.00</u>	Personal Needs Allowance
\$60.00	
<u>- 30.00</u>	Protected Earned Income Allowance
30.00/2 = 15.00	

200.00
120.00
 80.00 x .3 = 24

60.00 + 30.00 + 15.00 + 24 = 129.00 PNA/PEI

200.00 Net Monthly Earnings
129.00 PNA/PEI
 71.00 Income to be applied to cost of care.

C. Couple in a Title XIX Facility (MAO - Type Program 14)

Mr. and Mrs. Carrol enter the same Title XIX nursing facility and both meet medical necessity criteria.

Eligibility Budget

\$540.00 Mr. Carrol's Social Security
\$420.00 Mrs. Carrol's Social Security
 \$960.00 Total Income

< \$3,186 Institutional Income Limit

Applied Income Budget

\$540.00 Mr. Carrol's Social Security
\$420.00 Mrs. Carrol's Social Security
 \$960.00 Total Income
- 120.00 Personal Needs Allowance
 \$840.00
- 100.00 Part B Medicare Premiums
 \$740.00

\$740.00/2 = \$370.00 Income to be applied to nursing care costs for Mr. Carrol and \$370.00 for Mrs. Carrol.

D. Individual in a Title XIX Facility (MAO - Type Program 14) with a spouse who remains in the community.

Mr. Doss enters a Title XIX nursing facility and meets medical necessity criteria. Mrs. Doss continues to reside in the community.

Eligibility Budget

\$ 400.00 Mr. Doss' Social Security
+ 600.00 Mr. Doss' Private Retirement
 \$1,000.00 Total Income

< \$1,593 Institutional Income Limit

Applied Income Budget

\$1,000.00 Mr. Doss' Total Income
- 60.00 Personal Needs Allowance
 \$ 940.00
+ 500.00 Mrs. Doss' Total Income
 \$1,440.00
- 2,175.00 Maximum Spousal Needs Allowance
 \$ 0 Income to be applied to cost of care.

E. Individual in a Title XIX facility (MAO - Type Program 14) with a spouse and dependents who remain in the community

Mr. Ellis enters a Title XIX nursing facility and meets medical necessity criteria. Mrs. Ellis and Ellen Ellis, Mr. and Mrs. Ellis' dependent daughter, continue to reside together in the community.

Eligibility Budget

\$ 500.00 Mr. Ellis' Social Security
600.00 Mr. Ellis' Private Retirement
 \$1,100.00 Total Income

<\$1,593 Institutional Income Limit

Applied Income Budget

\$ 1,100.00 Mr. Ellis' Total Income
- 60.00 Personal Needs Allowance
 \$ 1,040.00
+1,000.00 Mrs. Ellis' Total Income
 \$ 2,040.00
-2,175.00 Maximum Spousal Needs Allowance
 \$.00
- 317.34 Dependent Allowance (Ellen Ellis receives \$500 Social Security. (\$1,452-\$500 = \$952/3 = \$317.34)
 \$ 0 Income to be applied to cost of care

Qualified Medicare Beneficiary Program**G. Individual QMB (Type Program 24)**

Mr. Gibbs lives alone in his own home.

Eligibility Budget

\$503.00	Mr. Gibbs' Social Security
<u>85.00</u>	Mr. Gibbs' Private Pension
\$588.00	Total
<u>- 20.00</u>	General Exclusion
\$568.00	

< \$716 Income limit

H. QMB Individual living with a Spouse (Type Program 24)

Mr. and Mrs. Harris live together in their own home. Only Mr. Harris is enrolled in Part A Medicare.

Eligibility Budget

1.	\$350.00	Mr. Harris' Social Security
	<u>+ 88.00</u>	Mr. Harris' Private Pension
	\$438.00	
	<u>- 20.00</u>	General Exclusion
	\$418.00	

< \$716 Income Limit

2.	\$342.00	Mrs. Harris' Social Security
		> \$252.00 Deeming threshold
	+350.00	Mr. Harris' Social Security
	<u>+ 88.00</u>	Mr. Harris' Private Pension
	780.00	
	<u>- 20.00</u>	General Exclusion
	\$760.00	

< \$968 Income Limit

I. Couple QMB (Type Program 24)

Mr. and Mrs. Hyde live together in their own home.

Eligibility Budget

\$580.00	Mr. Hyde's Social Security
<u>+227.00</u>	Mrs. Hyde's Social Security
\$807.00	Total
<u>- 20.00</u>	General Exclusion
\$787.00	

< \$968 Income Limit

J. Individual QDWI (Type Program 25)

Mr. Jones lives alone in his own home.

\$2,000.00	Mr. Jones' Earned Income
<u>- 20.00</u>	General Exclusion
\$1,980.00	
-1,022.50	Work Exclusion ($\$1,980 - 65.00 = \$1,915 \div 2 = \$957.50$ $\$ 957.50 + 65.00 = 1,022.50$)
<u>\$ 957.50</u>	

< \$1,432 Income Limit

K. Specified Low-Income Medicare Beneficiaries Individual SLMB (Type Program 23)

Mrs. Payne lives alone in her own home.

\$750.00	Mrs. Payne's Social Security
<u>- 20.00</u>	General Exclusion
\$730.00	

< \$859 Income Limit

L. Couple SLMB (Type Program 23)

Mr. & Mrs. Bowman live together in their own home.

Eligibility Budget

\$600.00	Mrs. Bowman's Social Security
<u>+395.00</u>	Mr. Bowman's Private Pension
\$995.00	Total

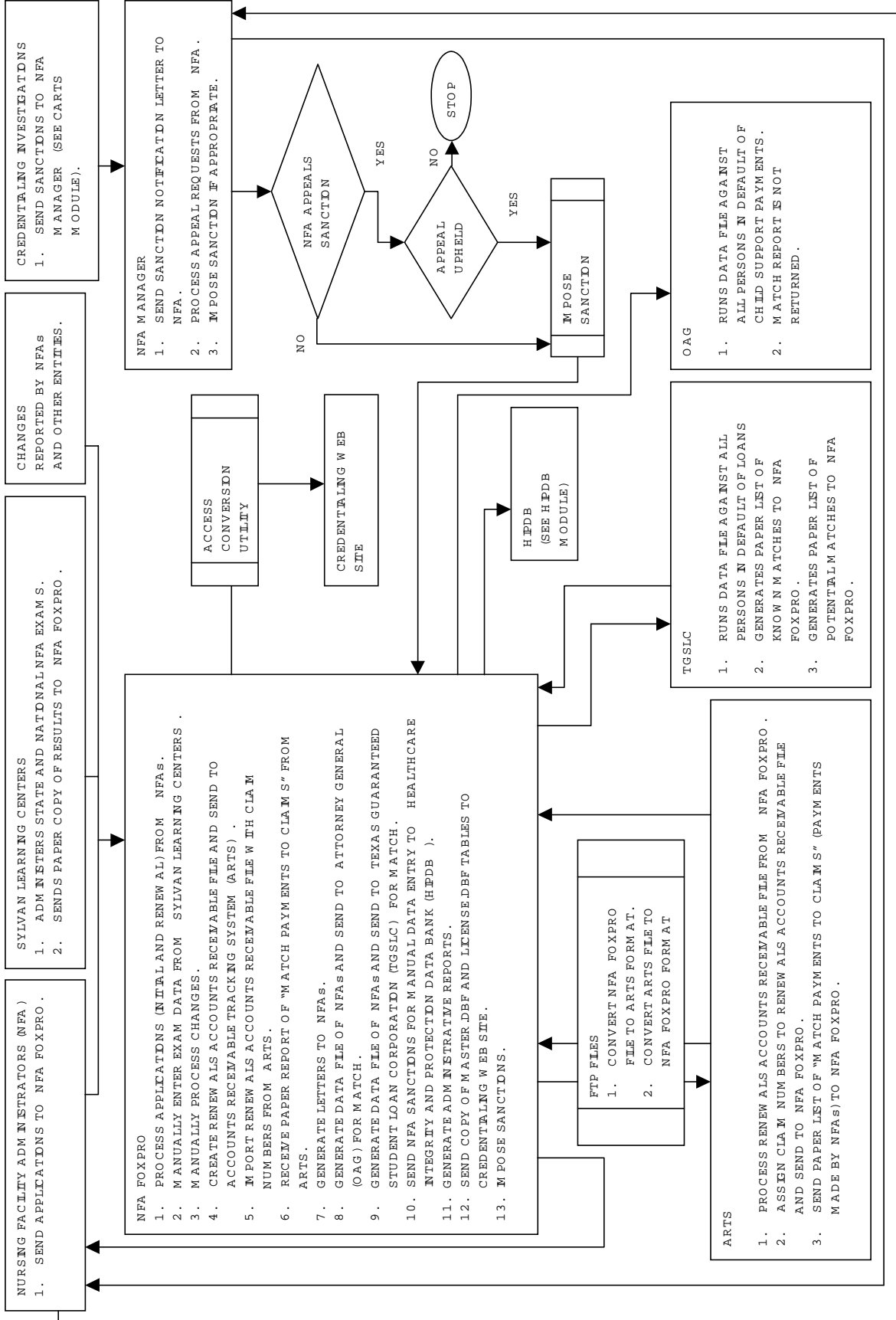
- 20.00 General Exclusion
\$975.00

< \$1,161 Income Limit

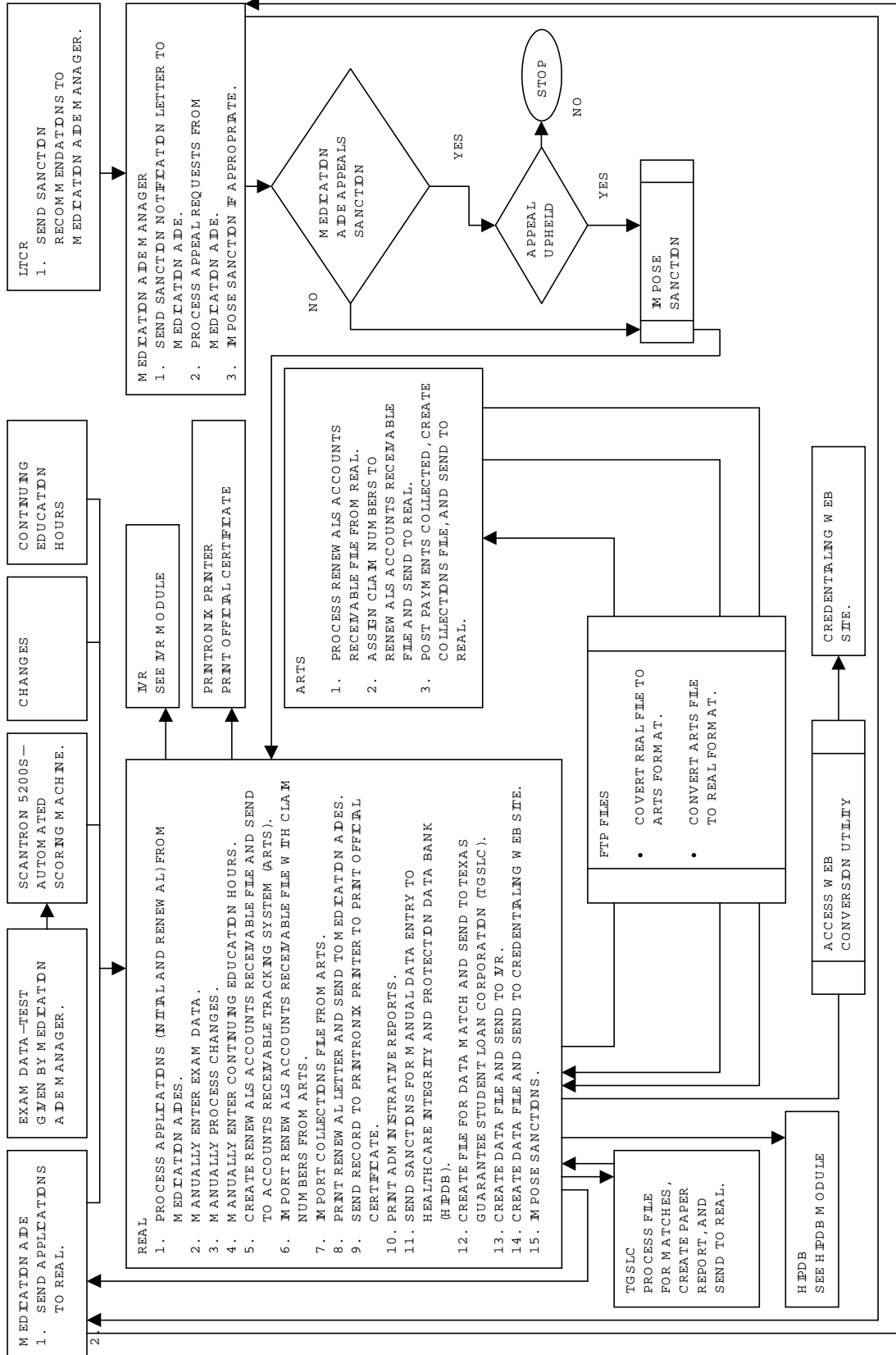
Appendix C



NURSING FACILITY ADMINISTRATORS (NFA)

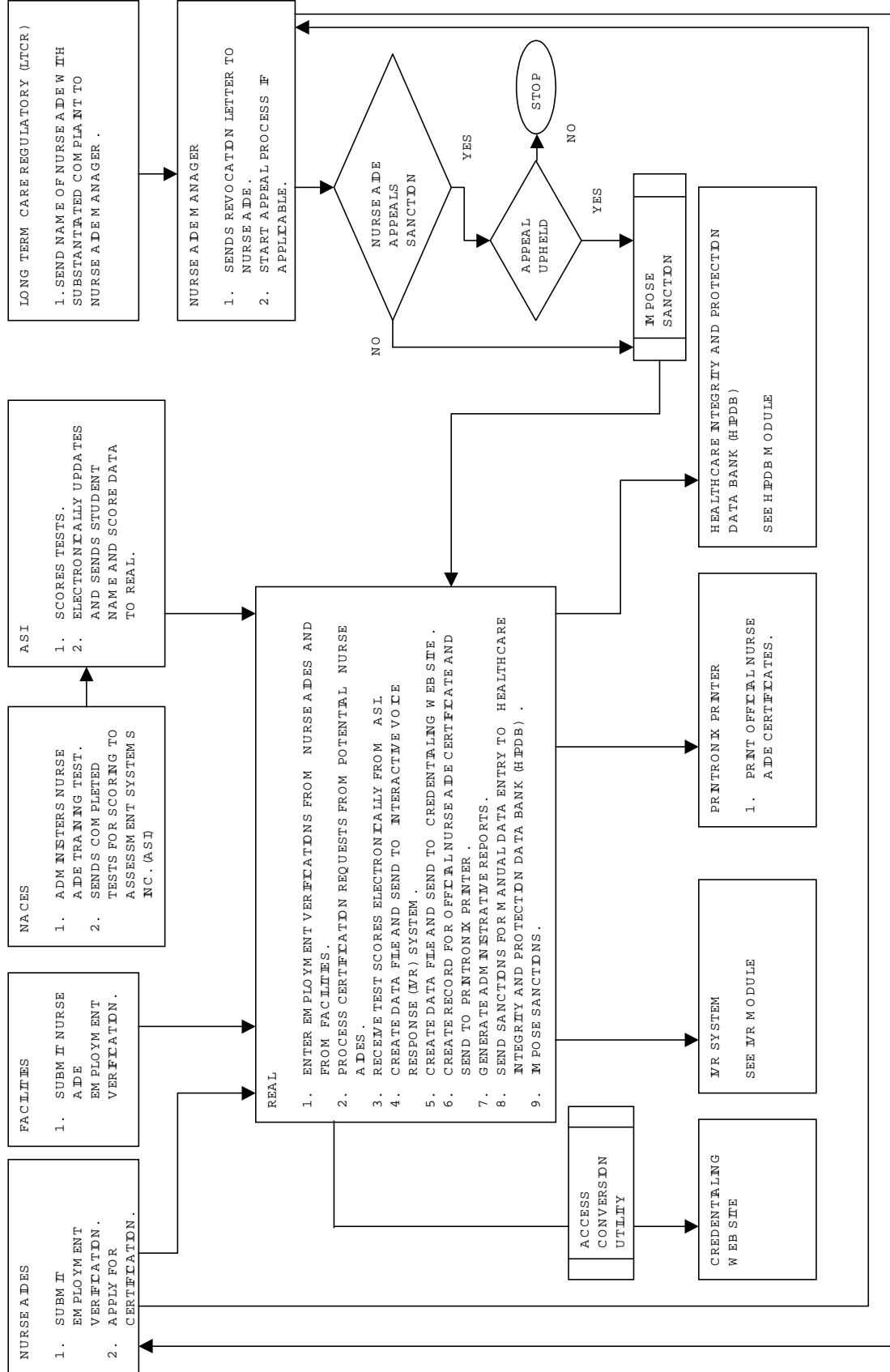


M E D I C A T I O N A I D E P R O G R A M



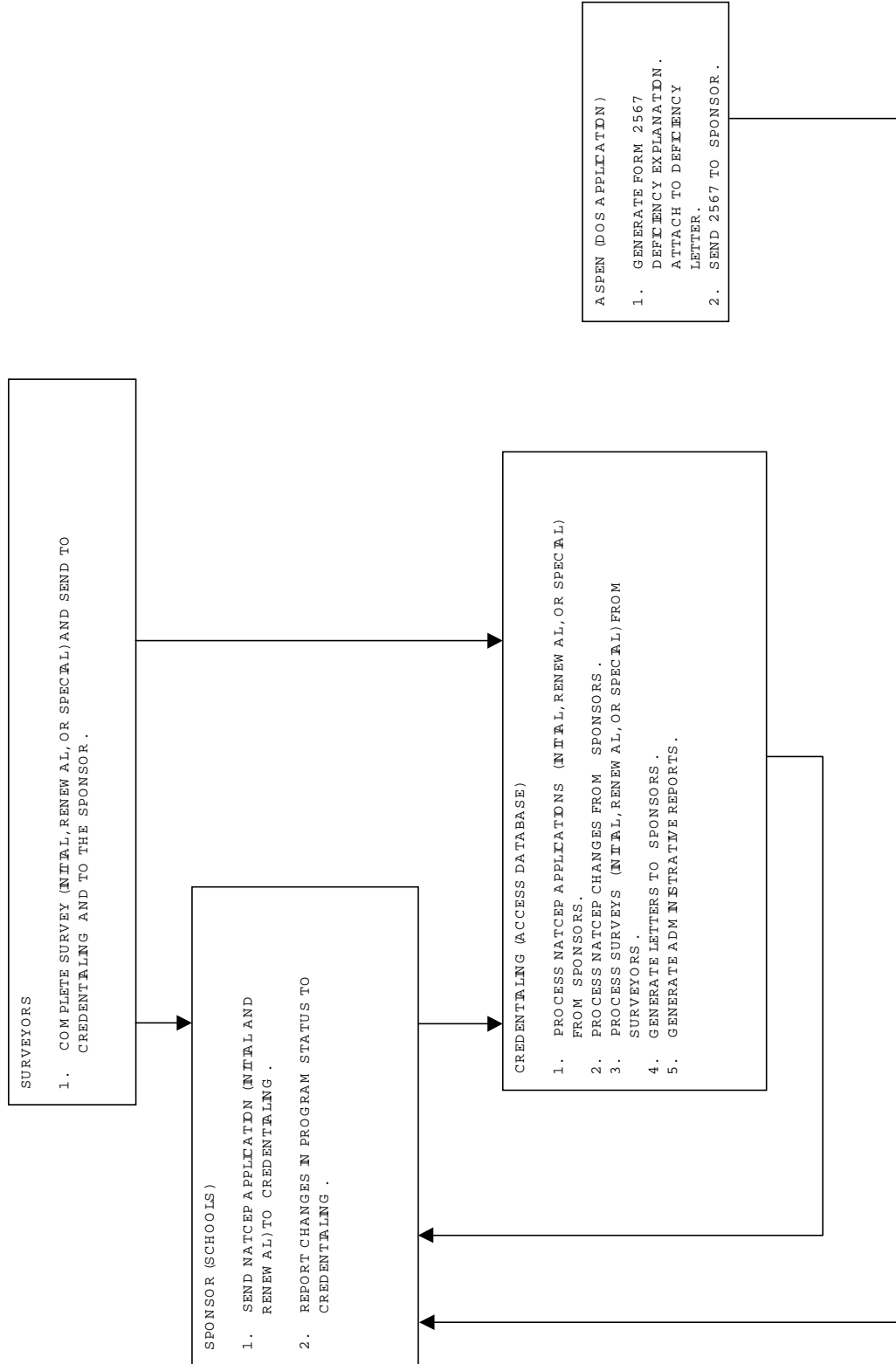
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NURSE ADE REGISTRY (NAR)

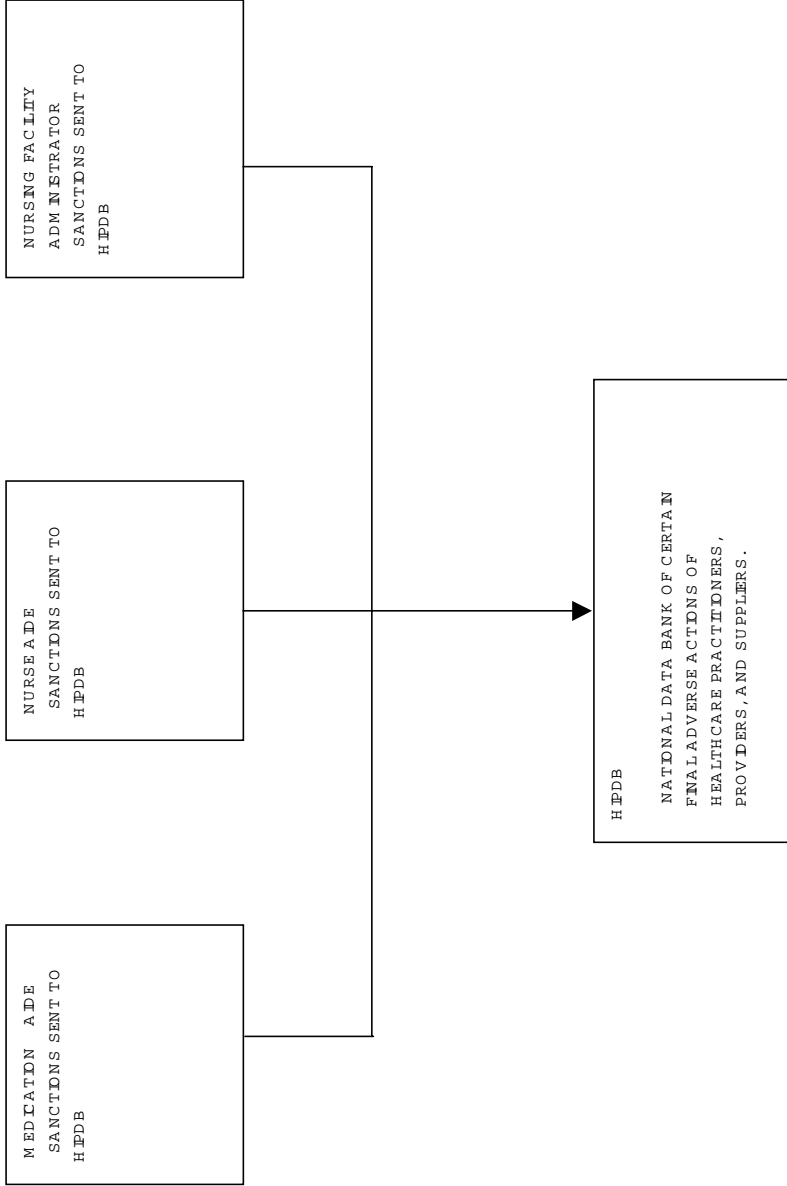


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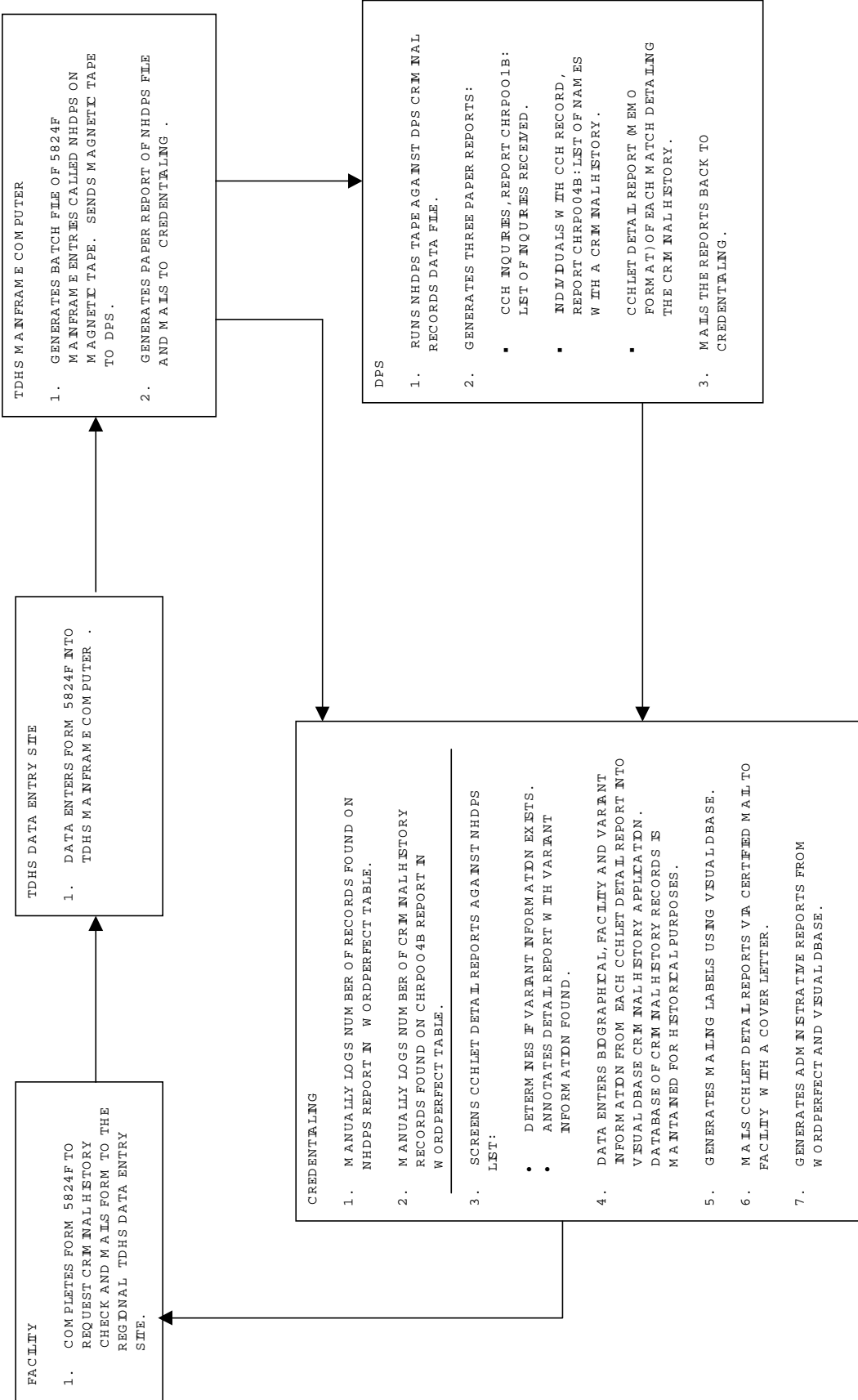
NURSE AIDE TRAINING AND COMPETENCY EVALUATION PROGRAMS (NATCEP)



HEALTHCARE INTEGRITY AND PROTECTION DATA BANK (HIPDB)

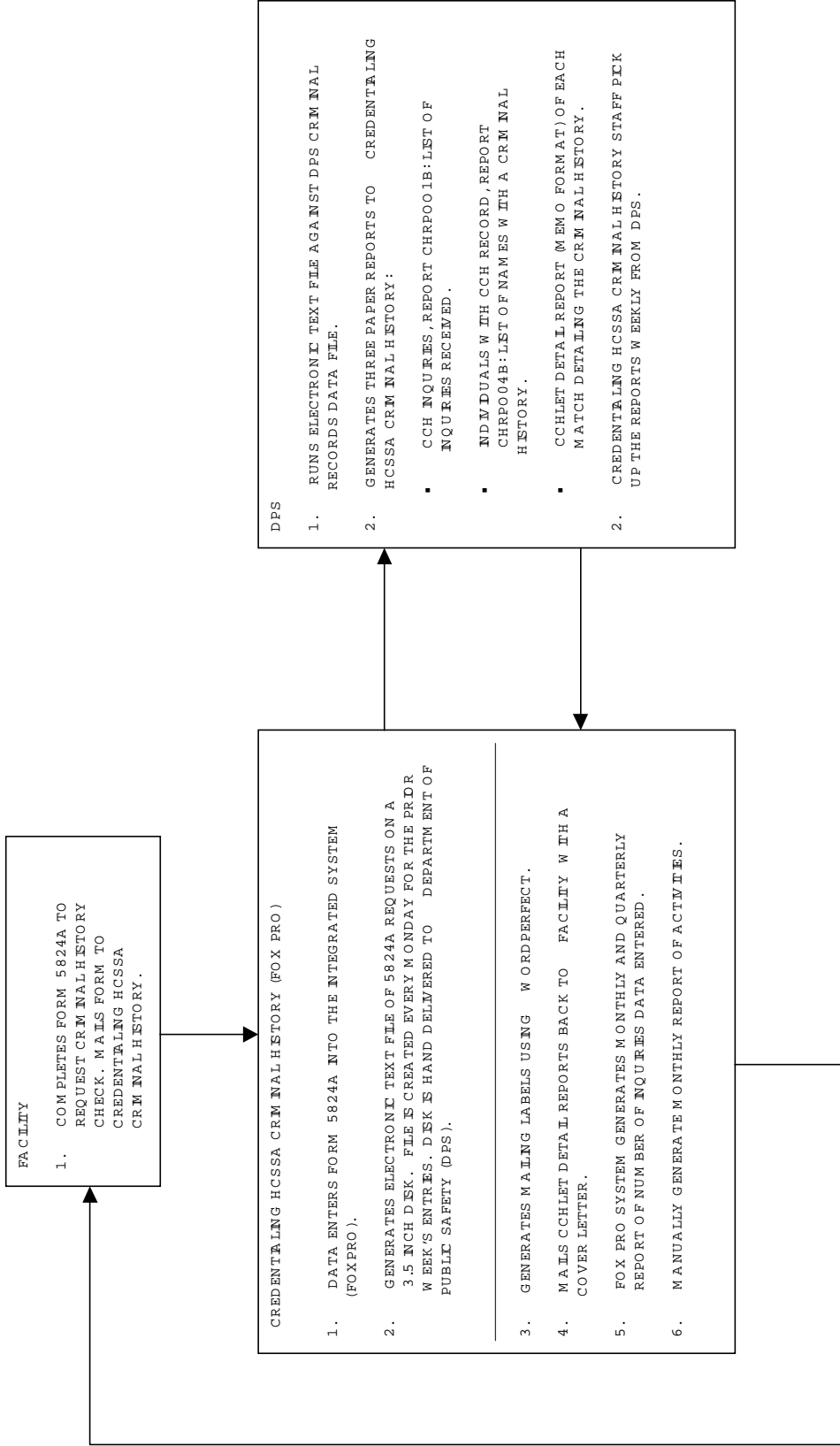


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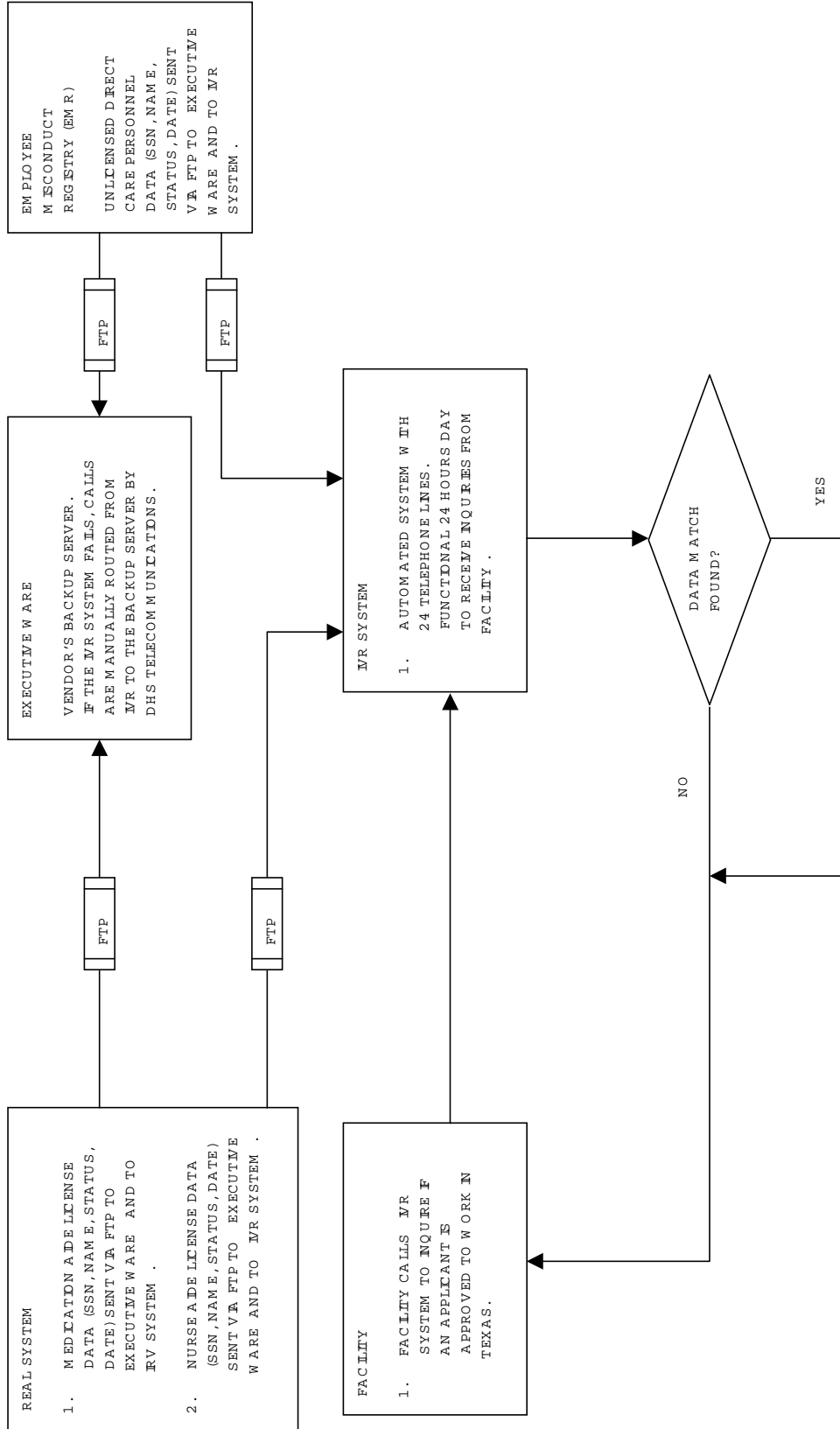
OFFICE OF PROGRAM INTEGRITY—PROGRAM AUTOMATION

HOME AND COMMUNITY SUPPORT SERVICES AGENCIES (HCSSA) CRMINAL HISTORY



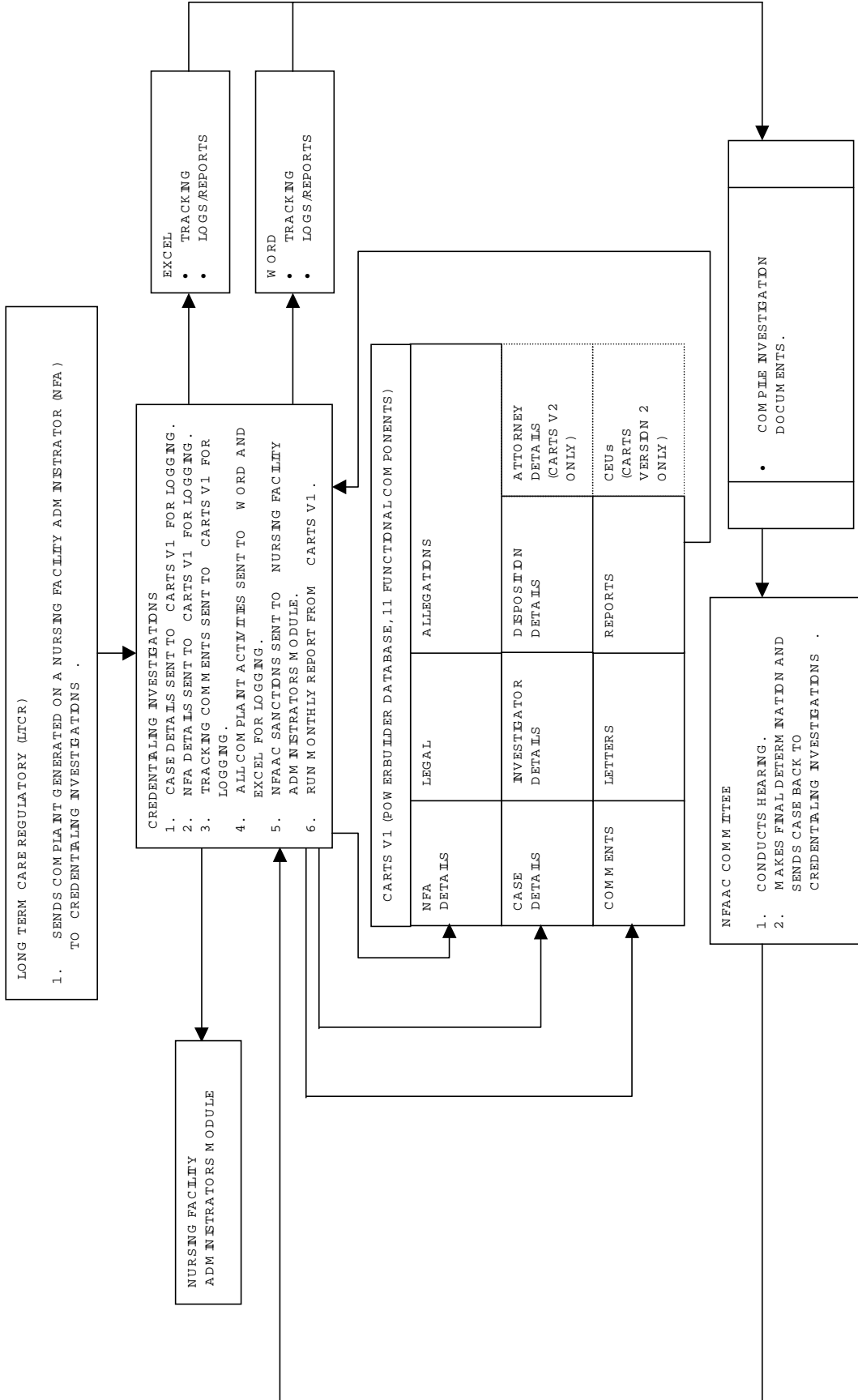
OFFICE OF PROGRAM INTEGRITY—PROGRAM AUTOMATION

INTERACTIVE VOICE RESPONSE SYSTEM (IVR)



OFFICE OF PROGRAM INTEGRITY—PROGRAM AUTOMATION

COMPLAINTS AND REFERRAL TRACKING SYSTEM (CARTS)



OFFICE OF PROGRAM INTEGRITY—PROGRAM AUTOMATION

Appendix D



TEXAS
Department of
Human Services

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)
Formerly: Aid to Families with Dependent Children (AFDC)

INTRODUCTION

The AFDC Program originated in the 1935 Social Security Act that provided federal funds under Title IV of the Act to match state funds. The purpose of the program is to provide financial and medical assistance to needy dependent children and the parents or relatives with whom they are living. Eligible TANF households receive monthly cash and Medicaid benefits. **Note:** TANF information provided also applies to the TANF Unemployed Parent program (TANF-UP) and the One Time TANF (OTTANF) program unless otherwise stated. TANF-UP provides cash assistance to families with children deprived of parental support because of the unemployment or underemployment of a parent. OTTANF provides emergency cash assistance for families in crisis who do not currently receive TANF but are otherwise eligible.

The federal portion of program funds were block granted to states as a result of federal welfare reform signed into law on August 22, 1996. This law now refers to programs funded under Title IV as TANF. The Texas Legislature determines the amount of state money appropriated to the TANF Program. The Department of Human Services then determines the maximum grant amount for each household size. In December 1996, there were 618,431 TANF recipients in Texas (54,423 of that number were TANF-UP recipients).

Beginning in May 1996, Texas began implementing its own plans for welfare reform under a federal waiver that has been continued even after federal welfare reform. As a result of federal requirements for evaluating the waiver, Texas maintains several control groups around the State in which eligibility and benefits are still determined based on policies in effect prior to the waiver. Thus there are two sets of policies to follow, as shown on some of the material in this document.

ELIGIBILITY

Eligibility criteria are derived from

- federal and state laws,
- federal regulations,
- state policy decisions, and
- court rulings.

The following eligibility criteria must be explored:

Residence	Deprivation	Work Registration
Citizenship	Resources	Social Security Number
Age	Income	
Relationship	Domicile	

Except in a few control group areas, recipients must also comply with the Personal Responsibility Agreement (PRA). The PRA requires recipients to agree not to voluntarily quit a job, stay free of alcohol or drug abuse, participate in parenting skills if referred, obtain medical screenings for their children, and ensure their children are immunized and attending school.

RESIDENCE

Applicants must reside and intend to remain in Texas.

CITIZENSHIP

Applicants must be one of the following

- A U.S. citizen or
 - An alien lawfully admitted before 8/22/96 who meets one of the following requirements:
 - A Refugee admitted under Section 207 of INA,
 - An Asylee admitted under Section 208 of INA,
 - An alien whose deportation is withheld under Sections 243(h) or 241(b)(3) of INA,
 - A Cuban/Haitian entrant paroled under Section 212(d)(5) of INA,
 - An Amerasian Legal Permanent Resident (LPR),
 - A Parolee granted status under Section 212(d)(5) of INA for at least one year,
 - A Conditional Entrant admitted under Section 203(a)(7) of INA, or
 - An LPR other than an Amerasian.
 - An alien lawfully admitted on or after 8/22/96 who meets one of the following requirements:
 - A Refugee admitted under Section 207 of INA,
 - An asylee admitted under Section 208 of INA,
 - An alien whose deportation is being withheld under Section 243(h) or 241(b)(3) of INA,
 - A Cuban/Haitian Entrant paroled under Section 212(d)(5) of the INA, or an Amerasian LPR.
- NOTE:** The aliens listed above meet the alien eligibility requirement for 5 years from their legal entry date into the United States.
- An alien legally admitted for permanent residence who is:
 - *an honorably discharged veteran, or
 - *an active duty military personnel, or
 - *the spouse, unremarried surviving spouse, or minor unmarried dependent child of an honorably discharged veteran or active duty military personnel.
 - An alien who is the spouse or child of an honorably discharged veteran or active duty personnel and who has filed a petition with INS as being battered by the spouse or parent who no longer lives in the home.

AGE

A child must be under 18 years old to receive assistance. **Exception:** The grant can be continued through the month the child graduates, if both the following conditions are met. The child is:

- a full-time student, and
- expected to graduate before or during the month of his 19th birthday.

RELATIONSHIP AND DOMICILE

A child must live with a relative within the required degree of relationship. These relatives include a:

- father or mother,
- grandfather or grandmother,
- brother or sister,
- uncle or aunt,
- nephew or niece,
- stepfather or stepmother,
- stepbrother or stepsister,
- stepgrandparent,
- first cousin.

Note: To qualify for TANF-UP benefits, a child must be living with both his natural or adoptive legal parents.

DEPRIVATION

A child must be deprived of the support or care of a legal parent due to the reasons:

- death of a parent,
- absence of a parent from the home,
- physical or mental incapacity of a parent, or
- unemployment or underemployment of the primary wage earner (PWE) parent.

Note: In control group areas, in addition to being underemployed, the PWE must have a recent connection to the labor force (i.e., must have worked recently).

TANF cases for children who are deprived due to the absence or death of a parent, are referred to the Office of the Attorney General's Child Support Enforcement Division for potential child support collections.

CHILD SUPPORT

The responsible relative on a case must cooperate with the child support program requirements by:

- providing information on the non-custodial parent,
- participating in efforts to locate the non-custodial parent, establish paternity, and establish a child support order, and
- remitting all child support payments to the State after TANF is granted.

Failure to cooperate, without good cause, results in a financial penalty until cooperation is achieved. In control group areas, it also results in the adult's ineligibility for Medicaid. The children may remain eligible. **Exception:** If the responsible adult is a pregnant woman, she will continue to receive Medicaid coverage during her pregnancy.

The responsible relative may claim good cause for not cooperating with the child support program if:

- cooperation could result in physical or emotional harm to the child or responsible relative,
- the child was conceived as a result of rape or incest, or
- the child may be placed for adoption.

RESOURCES

Eligible families cannot have more than

- \$2,000 in resources, or
- \$3,000 if the household includes a relative who is at least age 60 or disabled.

In control group areas, eligible families cannot have more than \$1000 in resources.

Exempt resources include:

- home and surrounding property,
- burial plots,
- personal possessions,
- resources not legally available to the household,
- resources of SSI recipients, and
- vehicles worth less than \$4650. Exception: In control group areas, one vehicle is exempt if the equity is less than \$1500 (if the equity exceeds \$1500, the excess is counted as a resource).

Transfer of resources by households for the purpose of qualifying for the program is prohibited.

INCOME

DHS determines a household's financial eligibility based on a figure that represents 100% of the estimated cost necessary to meet basic needs for one month according to household size. DHS determines benefits based on a figure that equals 25% of the budgetary needs amount and pays a maximum TANF grant which equals approximately 17% of the Federal Poverty Income Limit.

DHS includes the needs of the supervising relative on the case with the eligible child if the adult is

- the child's legal parent, or
- another relative who is financially needy and wants to be included.

DHS also includes the needs of a "second parent" when a child lives with both legal parents and either parent is incapacitated or unemployed/underemployed.

All applicants and certified recipients must pass income tests:

Budgetary Needs Test - Total gross household income minus work related and child care expenses for all applicants who have not received TANF in the past four months cannot exceed the budgetary needs amount.

Recognizable Needs Test - Net household income for applicants and certified recipients cannot exceed 25% of the budgetary needs amount.

DHS has special budgeting procedures for households containing a

- non-certified stepparent,
- sponsored alien,
- parent of a minor parent, or
- disqualified legal parent.

In these cases, DHS diverts a portion of these household members' income and applies the remainder to the certified group.

The actual TANF grant amount may vary depending on other income (and deductions for earned income). Texas allows the following deductions from earned income:

- \$120 for work related expenses,
- up to \$200 monthly dependent care expense per child under age 2,
- up to \$175 monthly dependent care expense per child age 2 or older, including incapacitated adults, and
- 90% of the remainder for four months in a twelve month period. This is allowed for active cases, and applicants who have either received TANF in the four months before applying or who pass the Budgetary Needs Test.

The TANF household is eligible for "medical assistance only" (MAO) if:

- the TANF case is denied because of an increase in child support income or new or increased earnings, or
- a TANF-UP parent in a control group area no longer meets the definition of unemployed, or
- the TANF case is denied because of the loss of the 90% deduction.

Texas exempts certain types of income including:

- adoption subsidies,
- earned income of certain children attending school,
- educational assistance,
- certain energy assistance payments,
- Foster Care payments,
- in-kind and vendor payments,
- certain Workforce Investment Act (WIA) payments,
- certain payments from government sponsored programs such as Native and Indian claims,
- income of SSI recipients, and
- reimbursements for items not included in the need standard.

SOCIAL SECURITY NUMBER

Applicants must provide a Social Security number or apply for one.

EMPLOYMENT

Each applicant age 16 through 59 who is not exempt must participate in employment services. Exemptions include persons who are:

- under age 16, or age 60 and over,
- parents or relatives caring for a child under age three,
- needed at home to provide care for an ill or disabled household member,
- too remote from available work and employment or training resources, or
- temporarily or permanently disabled.

CHARACTERISTICS OF TANF CLIENTS

The most common TANF caretaker:

- is a Black or Hispanic female,
- is approximately 30 years old,
- has 1 or 2 children under age 11,
- is unemployed and has no other income,
- receives a TANF grant of \$201 or less, and
- receives TANF for less than 12 continuous months.

She dropped out of school between the 8th and 11th grades and has no job training. When she enters the labor market, she will have these handicaps:

- she is a minority female without a high school education and without job training,
- she has young children who must have affordable, competent day care, and
- she does not have reliable transportation.

THE FOOD STAMP PROGRAM IN TEXAS

INTRODUCTION

The Food Stamp Act of 1977, as amended, is the legal base under which Texas administers the Food Stamp Program. The Act is implemented by the Code of Federal Regulations. The purpose of the program is to permit low-income households to purchase a nutritionally adequate diet through normal channels of trade.

The federal government provides 50% of the state's cost in administering the program, 50% of the state's costs for Food Stamp Program investigations and prosecutions, and the total cost of food stamp benefits issued to participating households.

Federal regulations require the state to maintain a Quality Control program. This program reviews a statistical sample of cases to determine the validity of denials, certifications, and basis of issuance to households. Management evaluation reviews of all procedural aspects of program administration are conducted.

ELIGIBILITY

USDA establishes all eligibility and certification policy. Amendments to food stamp policy fall under the requirements of the Administrative Procedures and Texas Register Acts. The following eligibility criteria must be explored.

- Residence
- Citizenship
- Employment Services
- Work Requirement (for individuals age 18-50)
- Resources
- Income
- Social Security Numbers

RESIDENCE

Applicants must reside in Texas. Additionally, they must apply in the county in which they reside.

CITIZENSHIP

Applicants must be one of the following:

- a U.S. Citizen,
- a Non-citizen who meets the alien eligibility requirements outlined below:
 - A refugee admitted under Section 207 of INA,
 - An asylee admitted under Section 208 of INA,
 - An alien whose deportation is being withheld under Section 243(h) of INA,
 - A parolee admitted under Section 212(d)(5) of INA for at least a year,
 - An Amerasian,
 - A Cuban/Haitian,
 - **NOTE:** The category of aliens listed above meet the alien eligibility requirement for 7 years from their date of entry into the U.S.
 - An alien legally admitted for permanent residence who:

- can claim 40 "qualifying quarters of Social Security earnings", or
- is an honorably discharged veteran, or
- is active duty military personnel, or
- is the spouse, unmarried surviving spouse, or minor unmarried dependent child of an honorably discharged veteran or active duty military personnel
- An alien who is a battered woman or child is eligible if they are the spouse or minor unmarried dependent of a veteran or active duty military personnel, filed a petition with INS, and no longer live with the abuser,
- A Native American born in Canada or Mexico who is entitled by treaty to reside in the U.S., or
- A Hmong or Highland Laotian tribe member, when the tribe assisted the U.S. armed forces during the Vietnam War, or their spouses, unmarried dependent children, and unmarried surviving spouse.

The Agricultural Research Extension and Education Act of 1998 restored food stamp benefits to immigrants who were lawfully residing in the U.S. on or before 8/22/96, and who

- are currently under age 18, or
- meet the food stamp definition of disability, regardless of when they became disabled, or
- were age 65 or older on 8/22/96.

EMPLOYMENT SERVICES

All unemployed able-bodied persons age 16 through 59 must register for employment services before initial certification and participate after certification. A person is exempt from registration for employment services if the person is:

- under age 16 or age 60 and older,
- a regular participant or out-patient in a drug addiction or alcoholic treatment program,
- responsible for the care of a dependent child under age 6 or a disabled person,
- physically or mentally unfit for employment,
- a student enrolled in school or a training program, including an institution of higher education. (Note: some students must meet special student eligibility criteria),
- already registered for employment services under the TANF program,
- receiving unemployment compensation benefits or has applied for benefits.
- three to nine months pregnant, or
- employed or self-employed.

WORK REQUIREMENT

An individual age 18 to 50 who does not have dependents and who is not working or participating in a specified work program an average of 20 hours per week, is limited to an initial three months of eligibility in a 36 month period unless he is exempt for one of the following reasons:

- exempt from employment services requirements,
- physically or mentally unfit to work 20 hours per week,
- member of a food stamp household that includes a child, living in the home, who is under age 18,
- pregnant, or
- lives in a county with an unemployment rate over 10%.

An individual who lost eligibility due to this policy may regain eligibility by becoming exempt from or meeting the work requirement. If an individual regains eligibility by meeting the work requirement and

subsequently stops meeting the work requirement, the individual can qualify for one additional three consecutive months period of food stamp benefits, if he is otherwise eligible.

RESOURCES

A household is not eligible if the total value of available resources is over

- \$3,000 in households with a member age 60 or over, or
- \$2,000 for all other households.

Exempt resources include:

- one home and surrounding property,
- income producing property,
- vehicles necessary for employment or training related purposes to the extent that their fair market value does not exceed \$4,650,
- vehicles used to transport a physically handicapped person or used more than 50% of the time for income producing purposes,
- personal effects (such as clothes, jewelry, furnishings, and household goods).

Uniform national resource standards of eligibility apply to all applicant households, including those in which members are recipients of public assistance grants such as SSI and TANF.

Transfer of resources by households for the purpose of qualifying for the program is prohibited.

INCOME

All households, except for those containing at least one member who is age 60 or older or disabled must meet a gross income test in order to be eligible for food stamps. A household's gross monthly income, minus allowable income exclusions, cannot exceed the gross income limit for that size household to be eligible for the program. If the household's total gross income exceeds its gross income limit, the household is ineligible.

In addition, all households must pass a net income test. The household is ineligible if its net income (gross income minus allowable deductions for household expenses) is more than the net income limit for that size household.

Categorically eligible households in which all members are approved for TANF or SSI are not subject to the resources or gross/net income limits.

There are special provisions for destitute farm workers because their income is so sporadic.

The maximum gross income limits, adjusted annually to reflect current poverty guidelines, are based on the number of persons in the household as follows:

Household Size	Gross Monthly Income	Net Monthly Income
1	\$905	\$696
2	1219	938
3	1533	1180
4	1848	1421
5	2162	1663
6	2476	1905
7	2790	2146
8	3104	2388
9	3419	2630
10	3734	2872
Each Additional Member	+315	+242

SOCIAL SECURITY

A household participating or applying for participation in the food stamp program must provide a Social Security Number, or apply for one, for each household member who does not have one.

Applicants who are not eligible because of immigration status (see "Citizenship") do not have to provide a Social Security Number or apply for one.

BASIS OF ISSUANCE

The maximum monthly food stamp allotment depends on the number of persons in the household as follows:

Household Size	Allotment
1	\$130
2	238
3	341
4	434
5	515
6	618
7	683
8	781
9	879
10	977
Each Additional Member	+98

The amount of food stamp benefits the household receives is determined by household size and the amount of the income available after all allowable deductions are made from their gross income.

By law, the monthly food stamp allotments are revised annually effective October 1, to reflect changes in the cost of food. The amount of benefits for the first month of certification is based on the date of application. Benefits of less than \$10 are not issued for the month of application.

COMPUTATION OF SAMPLE FOOD STAMP HOUSEHOLD

The household consists of a husband, wife, and their two children (a family size of 4). The husband receives VA benefits of \$200 per month. The wife is employed and earns \$200 per week before deductions. She pays \$100 per month for child care.

Income:

VA benefits.....	\$200.00
Wife's earnings (converted to monthly 200 X 4.33).....	<u>\$866.00</u>
Total Household Income.....	\$1066.00

The household passes the Gross Income Test (\$1848 for a family of four persons).

Monthly Deductions:

20% of Gross Earned Income.....	\$173.20
Standard Deduction.....	\$134.00
Dependent Care Cost (Necessary for wife's employment, with maximum allowable deduction = \$200 per child under 2 or \$175 per child for all others).....	<u>\$100.00</u>
Total Deductions (Except Shelter).....	\$407.20

Adjusted Gross Income (Income minus Deductions)..... \$658.80

Monthly Shelter Costs:

House Payments.....	\$250.00
Electricity.....	\$100.00
Water.....	\$40.00
Gas for Heating/Cooking.....	\$30.00
Standard Allowance for One Telephone.....	<u>\$20.00</u>
Total Shelter Costs.....	\$440.00

Excess Shelter Cost Computation:

Total Shelter Costs.....	\$440.00
Less 50% Adjusted Gross Income.....	<u>-\$329.40</u>
Excess Shelter (Maximum of \$340).....	\$110.60

Adjusted Gross Income.....	\$658.80
Less Excess Shelter.....	<u>-110.60</u>
Net Food Stamp Income.....	\$548.20

This household's rounded net food stamp income of \$548 passes the net test (\$1421) and qualifies them to receive \$269 per month worth of food stamp benefits, if otherwise eligible.

Medical Programs for Families and Children

INTRODUCTION

Title XIX of the Social Security Act is the legal basis for the Medicaid program. The Texas Department of Human Services (TDHS) administers several programs that provide medical care for:

- children who are not eligible for TANF because of income and/or because they do not meet the TANF definition of deprived children.
- pregnant women who are not eligible for TANF because of income and/or because they do not have TANF-eligible children.
- caretakers and second parents of children who meet the definition of deprived children.
- undocumented aliens, non-immigrants, and some legal permanent residents who meet all TANF and TANF-related Medicaid eligibility requirements except citizenship.

Persons eligible for these programs receive the same Medicaid benefits as TANF recipients. **Exception:** Coverage for undocumented aliens, non-immigrants, and some legal permanent residents is restricted to emergency medical conditions.

Persons receiving Medicaid through these programs do not receive financial assistance

IMPLEMENTATION HISTORY

- The 1984 Deficit Reduction Act (Public Law 98-369) mandated Medicaid coverage for certain children and pregnant women with income below the TANF income limits. TDHS added coverage for optional individuals when the program was implemented October 1, 1984.
- The Medically Needy program, an option under Title XIX, was implemented January 1, 1985.
- The Omnibus Reconciliation Act of 1986 (OBRA-86) mandated Medicaid coverage for certain aliens who had previously been ineligible for Medicaid.
- In response to the Catastrophic Health Care legislation and recommendations of a Legislative select committee, TDHS expanded Medicaid coverage to pregnant women and children under age 2 with income below 100% of the federal poverty income limits (FPIL). This expansion was implemented September 1, 1988.
- House Bill 1345, adopted by the Texas legislature, increased the income limits for pregnant women and children under age 1 to 130% FPIL. The Bill also increased the age limit for children with income below 100% FPIL to age 4. These changes were effective September 1, 1989.
- The 1989 Omnibus Reconciliation Act (OBRA) mandated Medicaid coverage for pregnant women and children under age 6 with income below 133% FPIL. This change was effective April 1990.
- The 1990 Omnibus Reconciliation Act (OBRA) mandated phased-in Medicaid coverage for children born 10/1/83 and later with income below 100% FPIL. This change was effective July 1991.
- Because of appropriations from the 72nd Legislature, TDHS implemented two federal options:
- -increased the income limits for pregnant women and children under age 1 from 133% FPIL to 185% FPIL.
- -removed the resource eligibility requirement for poverty level pregnant women (pregnant women with income below 185% FPIL). These changes were effective December 1991.
- In 1996, TDHS began implementing a TANF 1115 Waiver. Some of the waiver provisions were extended to some of the TANF-related Medicaid programs in November 1996.

- The 1996 Personal Responsibility and Work Opportunity Act and the 1996 Omnibus Reconciliation Act (OBRA) mandated major eligibility changes for lawfully admitted aliens. TDHS began implementing these changes in September 1996.
- To take advantage of the enhanced federal funding provided by the Balanced Budget Act of 1997 (BBA), TDHS began providing coverage to children ages 15-18 with family incomes below 100% FPIL in July 1998.

ADMINISTRATION

The federal government provides 50 percent of the state's cost in administering the programs. The federal government also provides approximately 62 percent of the cost for Medicaid benefits for federal fiscal year (FFY) 1998. The federal assistance for benefits is based on the state's per capita income and is subject to change each year.

Note: The BBA enhanced funding for children ages 15-18 is approximately 74% for FFYs 1998-2001.

Federal regulations require the state to maintain a Quality Control (QC) program. However, Texas has conducted QC pilot projects since 1995, focusing on targeted elements in a sample of cases, rather than determining the validity of denials and certifications.

WHO IS ELIGIBLE?

- Pregnant women.
- Children who are ineligible for TANF because of the applied income of their stepparent or grandparent.
- Children under age 19 who live with their parents, relatives, non-relatives or by themselves.
- Newborn children born to mothers who are eligible for and receiving Medicaid at the time of the child's birth. The child remains eligible until their first birthday as long as their mother remains eligible (or would be eligible if they were still pregnant) and the child resides with their mother in Texas. Other eligibility requirements do not apply to these children.
- Caretakers and second parents of children who meet the TANF definition of deprived children.
- Persons, including undocumented aliens, non-immigrants and some legal permanent residents, who do not meet the Medicaid citizenship requirements, but who:
 - meet all other Medicaid eligibility requirements,
 - have been treated for an emergency medical condition, and
 - meet the definitions of a pregnant woman, a child under age 19, a caretaker or a second parent.
- Medicaid eligibility for these persons is limited to coverage of the treatment of their emergency medical conditions.

ELIGIBILITY CRITERIA

The eligibility criteria for these Medicaid programs are similar to TANF. Major exceptions are listed below.

- **Residence** - Applicants must state Texas is their place of residence. No time limit is imposed.
- **Citizenship** - Only U.S. citizens or certain aliens legally admitted for permanent residence are eligible for full Medicaid benefits. See the last bullet in "Who is Eligible?" for information about restricted Medicaid benefits for persons not meeting citizenship requirements.

- **Age** - A child must be under age 19.
- **Third Party Liability Declaration** - Title XIX funds cannot be used to pay medical expenses that are payable by other liable third parties, such as private health insurance.
- **Work Registration** - This TANF requirement is not applicable.
- **Resources** – The resource limit is \$2000, or \$3000 if a family household member is disabled or age 60 or older. For all groups, the value of the family's home and personal property is exempt. For poverty level children, TANF resource policies and procedures apply, except food stamp vehicle policy applies to these children (with the exception of exempting the value of the family's primary vehicle, and following the TANF policy for jointly owned vehicles. For Medically Needy and children who are not poverty level children, \$4650 of the fair market value of each of the family's vehicle(s) is exempted with the remainder of the value counted toward the resource limit.

There is no resource eligibility requirement for poverty level pregnant women.

- **Income** - With some exceptions, all income is counted. Earned income is netted by dependent care expenses and a \$120 work related expense deduction.

INCOME LIMITS

The following income limits are based on the number of persons in the family whose income and needs must be included in determining eligibility.

- Pregnant Women and Children under Age 1: 185% FPIL. Once certified, income increases do not affect the pregnant woman's eligibility.
- Children Ages 1 through 5: 133% FPIL.
- Children Ages 6 through 18: 100% FPIL.
- Children under age 1 and Pregnant Women with income above 185% FPIL; Children ages 1-5 with income above 133% FPIL; Children ages 6-18 with income above 100% FPIL; Caretakers and Second Parents of deprived children: Medically Needy Income Limit (MNIL), which is 133 1/3% of the TANF recognizable needs. If the family has or anticipates medical expenses equal to the difference between the MNIL and their income, the family IS given the opportunity to spend down their excess income by providing proof of their medical expenses.

ELIGIBILITY DATES

The Medicaid Eligibility Date (MED) is usually the first day of the month in which the application for assistance was made. The MED can be as early as the first day of the third month prior to the application month, if the family has unpaid Medicaid-reimbursable bills from that period of time.

Exception: Medically Needy (MN) applications with spend down. The MED will usually be the date that medical bills for the spend-down amount are incurred.

SPEND DOWN EXAMPLES

Example 1: Low-income family of four without spend down.

Monthly net income	\$250
<u>-MN income limit</u>	<u>\$308</u>
Spend down amount	\$ 0

This family is eligible without spend down.

Example 2: Low-income family of four with spend down.

Monthly net income	\$320
<u>- MN income limits</u>	<u>\$308</u>
Spend down amount	\$ 12

This family must provide proof of incurred medical expenses of \$12 to be eligible.

Example 3: Moderate-income family of four with spend down.

Monthly net income	\$1000
<u>-MN income limits</u>	<u>\$ 308</u>
Spend down amount	\$ 692

This family must provide proof of incurred medical expenses of \$692 to be eligible.

PROCESSING SPEND DOWN CASES

The family's caseworker determines eligibility and, if applicable, the family's spend down amount. If the family has to meet spend down to receive Medicaid benefits, the family must submit proof of incurred medical expenses to a central clearinghouse. The Medically Needy Clearinghouse:

- processes the bills received from the family,
- determines when spend down is met, and
- notifies TDHS and the family when spend down is met.

The family may contact the Clearinghouse concerning the processing of its bills by calling 1-800-252-8263 (toll free).

MEDICAL EXPENSES ALLOWED TOWARD SPEND DOWN

These expenses

- must be unpaid bills if incurred before the family applies for assistance,
- may be paid or unpaid bills if incurred after the family applies for assistance, and
- must be accompanied by an explanation of benefits if the family has private insurance.

HIERARCHY OF ALLOWABLE EXPENSES

The Clearinghouse processes the bills incurred by the family in the following hierarchy required by Federal regulations to determine which bills are first used to meet spend down:

1. health insurance premiums, deductibles, or coinsurance charges,
2. non-Title XIX bills,
3. bills that are potentially reimbursable by Title XIX.

INCOME LIMITS

Family Size	MNIL	100% FPIL	133% FPIL	185% FPIL
1	\$104	\$716	\$953	\$1325
2	216	968	1287	1790
3	275	1220	1622	2256
4	308	1471	1957	2722
5	357	1723	2291	3187
6	392	1975	2626	3653
7	440	2226	2961	4118
8	475	2478	3296	4584
9	532.	2730	3630	5049
10	567	2981	3965	5515
11	624	3233	4300	5981
12	659	3485	4634	6446
13	716.	3736	4969	6912
14	751	3988	5304	7377
15	808	4240	5639	7843
Per each additional member	57	252	335	446

Note: When determining eligibility for a pregnant woman, additional needs for her unborn child(ren) are included.

Appendix E



TEXAS
Department of
Human Services

Child and Adult Care Food Program (CACFP)

Goal	To enable non-residential child and adult day care facilities to integrate a nutritious food service with organized day care services.
Mandated/Optional	Optional
Grant Benefits	<p>Funds Expended FY 2000 Federal: \$122.1 Million</p> <p>Projected Expenditures FY 2001 Federal: \$123.9 Million</p>
Source(s) of Funding	100% Federal Funds
People Served	<p>Meals Served FY 2000 118,471,383</p> <p>Services Provided FY 2000 2,307 Child Care Centers 8,109 Registered Family Homes 287 Adult Day Care Centers</p> <p>Estimated Meals FY 2001 120,291,262</p>
Description	<p>Through contracts with independent day care centers and sponsoring organizations, the CACFP provides cash reimbursement to child and adult day care providers for serving meals and after-school snacks meeting USDA standards to participants enrolled for child care, attending an after school snack program, or residing in an emergency shelter.</p> <p>At the option of the contractors, these cash reimbursements are supplemented with USDA-donated commodities through the Food Distribution Program or with an additional cash payment in lieu of commodities. Contractors overwhelmingly request cash-in-lieu of commodities.</p> <p>CACFP clients include:</p> <ul style="list-style-type: none"> • Children up to age 13, or migrant children up to age 16, enrolled in private, nonprofit licensed child care centers,

family day homes, and for profit child care centers in which at least 25% of the enrolled children receive Title XX benefits, or are eligible to receive free or reduced-price meals according to the National School Lunch Act.

- Children up to age 13, or migrant children up to age 16, who reside in emergency shelters with their parent/s or guardian/s.
- Children up to age 19 who attend At Risk After-school Snack Programs.
- Functionally impaired adults or persons age 60 years or older receiving care in private, nonprofit adult day care centers, and for profit adult day care centers in which at least 25% of the enrolled adults receive Title XIX or Title XX benefits.

Administration

Special Nutrition Programs (SNP) staff located around the state manage contracts under the general guidance of SNP state office staff in the Office of Programs Division

Legal Bases

National School Lunch Act of 1946, as amended; **Child Nutrition Act of 1966**, as amended.

Summer Food Service Program (SFSP)

Goal	To provide nutritious meals to Texas children from needy areas during the summer months when schools are generally closed.
Mandated/Optional	Optional
Grant Benefits	<p>Funds Expended FY 2000 Federal: \$19.2 Million State: .7 Million</p> <p>Projected Expenditures FY 2001 Federal: \$22.6 Million State: .7 Million</p>
Source(s) of Funding	The SFSP is primarily federally funded. However the 76th Regular Session of the Texas Legislature authorized the expenditure of enhanced funding that DHS received from USDA due to improved management of the Food Stamp Program to supplement the federal funds allocated to operate the program.
People Served	<p>Meals Served FY 2000 10,592,666</p> <p>Estimated Meals Served FY 2001 11,256,367</p>
Description	<p>The Summer Food Service Program provides cash reimbursements to sponsors of feeding sites who contract with the Department to serve meals to children through the age of 18 years. For sponsors who prepare meals, cash reimbursements may be supplemented with USDA donated commodities.</p> <p>SFSP clients are children in geographic areas where at least 50% of the children are eligible for free or reduced-price meals under the National School Lunch Program, or children served at service sites where at least 50% of the enrolled children are eligible for free or reduced-price meals under the National School Lunch Program.</p> <p>House Bill 937, passed by the 76th Regular Session of the Texas Legislature, authorized the Texas Department of Human Services (DHS) to expend \$1.5 Million in state funds in FY 2000 and 2001 to conduct program outreach and to provide a financial supplement to SFSP sponsors for meals served to participating</p>

children. The financial supplement for meals is being provided as an incentive to increase the number of summer feeding sites and children participating in the program.

Administration

Special Nutrition Programs (SNP) staff located around the state manage contracts under the general guidance of SNP state office staff in the Office of Programs Division.

Legal Base

National School Lunch Act of 1946, as amended; **Child Nutrition Act of 1966**, as amended.

National School Lunch Program (NSLP)

Goal	To safeguard the health and well-being of the nation's children by offering low-cost nutritious lunches to all children during the school day and snacks in organized after-school care programs; and to encourage the consumption of domestically produced agricultural commodities and other nutritious foods.
Mandated/Optional	Optional
Grant Benefits	<p>Funds Expended FY 2000 Federal: \$9.8 Million</p> <p>Projected Expenditures FY 2001 Federal: \$10.2 Million</p>
Source(s) of Funding	100% Federal Funds
People Served	<p>Meals Served FY 2000 7,420,929 Meals</p> <p>Estimated Meals FY 2001 7,669,173 Meals</p>
Description	<p>The program provides cash reimbursements and USDA donated commodities for meals and after-school snacks served to school children.</p> <p>NSLP clients are children enrolled in private, nonprofit and tax-exempt schools; or living in public/private, nonprofit and tax-exempt residential child care institutions; or participating in an organized after-school care program offered by the school. The Texas Education Agency administers the NSLP in public schools.</p>
Administration	Special Nutrition Programs (SNP) staff located around the state manage contracts under the general guidance of SNP state office staff in the Office of Programs Division.
Legal Base	National School Lunch Act of 1946 , as amended; Child Nutrition Act of 1966 , as amended.

School Breakfast Program (SBP)

Goal	To effectively meet the nutritional needs of Texas children by offering low-cost nutritious breakfasts to all children during the school day.
Mandated/Optional	Optional
Grant Benefits	<p>Funds Expended FY 2000 Federal: \$5.2 Million</p> <p>Projected Expenditures FY 2001 Federal: \$5.6 Million</p>
Source(s) of Funding	100% Federal Funds
People Served	<p>Meals Served FY 2000 4,122,438 Meals</p> <p>Estimated Meals FY 2001 4,480,000</p>
Description	<p>The School Breakfast program provides cash reimbursements for meals served to school children.</p> <p>SBP clients are children enrolled in private, nonprofit and tax-exempt schools; or living in public/private, nonprofit and tax-exempt residential child care institutions. The Texas Education Agency administers the SBP in public schools.</p>
Administration	Special Nutrition Programs (SNP) staff located around the state manage contracts under the general guidance of SNP state office staff in the Office of Programs Division.
Legal Base	National School Lunch Act of 1946 , as amended; Child Nutrition Act of 1966 , as amended.

Special Milk Program (SMP)

Goal	To encourage the consumption of fluid milk by Texas children in public and private-nonprofit schools of high school grade and under and private, nonprofit nursery schools, child care centers, summer camps and similar institutions providing care and training to children.
Mandated/Optional	Optional
Grant Benefits	<p>Funds Expended FY 2000 Federal: \$99,473</p> <p>Projected Expenditures FY 2001 Federal: \$98,272</p>
Source(s) of Funding	100% Federal Funds
People Served	<p>Half-Pints of Milk Served FY 2000 775,792</p> <p>Estimated Pints of Milk Served FY 2001 755,938</p>
Description	<p>This program provides cash reimbursements to contractors for milk served to school and preschool aged children who do not receive benefits from the NSLP, SBP, CACFP, or SFSP.</p> <p>SMP clients are children enrolled in private, nonprofit and tax-exempt schools, childcare facilities, or summer camps.</p>
Administration	Special Nutrition Programs (SNP) staff located around the state manage contracts under the general guidance of SNP state office staff in the Office of Programs Division.
Legal Base	National School Lunch Act of 1946 , as amended; Child Nutrition Act of 1966 , as amended.

Food Distribution Program (FDP)

Goal	To help stabilize the agricultural market through price support and surplus removal and provide wholesome, nutritious foods to children participating in USDA child nutrition programs.
Mandated/Optional	Optional
Grants Benefits	<p>Funds Expended FY 2000 \$64.3 Million (value of commodities)</p> <p>Projected Expenditures FY 2001 \$75.7 Million (value of commodities)</p>
Source(s) of Funding	Program benefit costs (value of commodities) are 100% federally funded. USDA provides the Texas Department of Human Services (DHS) with State Administrative Expense (SAE) funds to pay program costs. DHS obtains funds for administrative costs not covered by SAE funds from the Texas Education Agency (TEA).
People Served	<p>Commodities Distributed FY 2000 94.6 Million pounds</p> <p>Estimated Commodities FY 2001 118.7 Million pounds</p>
Description	<p>DHS provides USDA donated commodities to RAs, such as public and private schools, summer food programs, and summer camps. DHS notifies RAs of their "fair share" of available USDA commodities based on the number of meals the agency provides to program participants.</p> <p>RAs large enough to handle commodities in truckload quantities, such as some Independent School Districts, cooperatives of several ISDs or schools, and large state agencies, may receive direct shipments from USDA. Direct delivery of USDA commodities to large RAs is efficient and economical because the RAs do not pay commercial distribution fees.</p> <p>Most RAs are not large enough to receive USDA commodities directly and pay fees to commercial distributors who contract with DHS to receive, handle, store, and distribute the commodities. DHS negotiates distribution rates through</p>

competitive procurement. Commodities are delivered to RAs on a cost per case basis.

RAs who wish to use commercial food processors to convert USDA donated commodities into more usable end products are assisted by SNP staff who approve processors and facilitate the ordering and delivery of the RAs' commodities to the processor.

Administration

Special Nutrition Programs (SNP) state office staff manages contracts under the general guidance of the Office of Programs Division.

Legal Bases

Agricultural Act of 1949; National School Lunch Act of 1946, as amended; **Child Nutrition Act of 1966**, as amended; **Temporary Emergency Food Act of 1983**; 7 Code of Federal Regulations, Part 250; and **Human Resources Code**, Chapter 33.

Texas Commodity Assistance Program (TEXCAP)

Goal	To help relieve hunger by distributing a portion of the nation's agricultural abundance to low-income and unemployed persons and households.
Mandated/Optional	Optional
Grant Benefits	<p>Funds Expended FY 2000 \$3.9 Million</p> <p>Projected Expenditures FY 2001 \$3.7 Million</p>
Source(s) of Funding	<p>During each year, from 1998 to 2002, Congress has authorized the United States Department of Agriculture (USDA) to use \$100 million of Food Stamp Program funds to purchase food for The Emergency Food Assistance Program (TEFAP), operated as TEXCAP in Texas, to be distributed to needy recipients. USDA determines each state's share of the \$100 million based on a formula which includes the number of state residents who live below the federal poverty line and the number who are unemployed. Additionally, each state receives a share of administrative funds, annually appropriated by Congress to pay program administrative costs, as designated by federal law. The total amount of administrative funds may not exceed \$50 million nationally.</p>
People Served	<p>Commodities Distributed FY 2000 27.8 Million Pounds</p> <p>Estimated Commodities Distributed FY 2001 34.2 Million Pounds</p>
Description	<p>TEXCAP distributes USDA commodities through contracts with public or private, nonprofit and tax-exempt recipient agencies (RAs). Priority for contracts is given to RAs that are food banks. TEXCAP contractors distribute USDA commodities as prepared meals to needy and homeless individuals and as "food packages" to needy households for home consumption.</p> <p>Any person who lives within a TEXCAP contractor's service area is eligible, upon his request, to receive a meal which includes USDA commodities. However, a household must meet eligibility</p>

requirements for USDA commodities which includes a means-test. Except as provided below, a household's gross income may not exceed 185% of the federally-established poverty level, which is based on household size. **Exception:** A household with income exceeding 185% of the federal poverty level may be eligible for up to six months if the household qualifies for emergency food assistance.

Administration

Special Nutrition Programs (SNP) state office staff manages contracts under the general guidance of the Office of Programs Division.

Legal Bases

Temporary Emergency Food Act of 1983; Food, Agriculture, Conservation, and Trade Act of 1990 (Farm Bill).

Commodity Supplemental Food Program (CSFP)

Goal	To help relieve hunger by providing supplemental nutritious foods donated by the United States Department of Agriculture (USDA) and to provide nutrition education to low-income women, infants, children and elderly persons who are vulnerable to malnutrition.
Mandated/Optional	Optional
Grant Benefits	<p>Funds Expended FY 2000 Federal: \$174,053</p> <p>Projected Expenditures FY 2001 Federal: \$238,134</p>
Source(s) of Funding	Each year Congress appropriates funds for USDA to purchase food to be distributed through the CSFP to needy recipients. USDA determines each state's share of the available funding for food based on the number of persons (caseload) that USDA has approved the state to serve. Additionally, each state receives a share of administrative funds annually appropriated by Congress to pay program administrative costs at the state and local level. Each state's share of administrative funding is proportionate to its share of the total caseload approved for all states. A state may retain a maximum of \$30,000 annually for its state administrative costs and must use the remainder of the administrative funds for local agency CSFP costs. Funding for the program is limited; therefore, states that participate in the program must limit the area served by the program.
People Served	<p>Commodities Distributed FY 2000 316,903 pounds</p> <p>Estimated Commodities Distributed FY 2001 428,371 pounds</p>
Description	The CSFP was implemented in the Spring, 2000 in eight of the poorest sections of the Dallas area. USDA approved an initial caseload of 3,500 women, infants, and children; and 1500 elderly persons. The program distributes USDA commodities and provides nutrition education through contracts with the North Texas Food Bank (NTFB) and Catholic Charities organizations. NTFB receives the commodities and distributes them to the

Catholic Charities organizations, and provides nutrition education materials to the organizations. Catholic Charities organizations determines participant eligibility, distributes the commodities and provides nutrition related materials to participants.

Eligible participants include pregnant, postpartum, or breast-feeding women, infants, children up to age six and persons age 60 and over. Priority is given to women, infants and children; after their needs are met, commodities may be distributed to elderly persons. Participants must be income-eligible (185% of federal poverty levels for women, infants and children and 130% of federal poverty levels for the elderly) and reside within the CSFP contractor's service area. Persons who participate in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) may not participate in the CSFP.

Pregnant women may receive commodities up to six weeks postpartum. Postpartum and breast-feeding women, infants, children and elderly persons may receive commodities up to six months. CSFP participants receive a specific "food package" designed to meet their nutritional needs.

Administration

Special Nutrition Programs state office staff manage the CSFP contract under the general of the Office of Programs Division.

Legal Bases

Agriculture and Consumer Protection Act of 1973; as amended.

Nutrition Education and Training Program (NET)

Goal	To improve children's nutritional status by promoting positive changes in nutrition knowledge and behaviors of educators, food service personnel, parents, and children.
Mandated/Optional	Optional
Grant Benefits	N/A
Source(s) of Funding	100% Federal Funds
People Served	<p>Clients Served FY 2000</p> <p>This fiscal year, 1,368 participants representing 401,708 children attended 69 workshops conducted by NET staff. NET's lending library circulated approximately 1,451 materials and served 160 patrons who reached more than 15,275 children and educators.</p> <p>Estimated Clients FY 2001</p> <p>No significant change from FY 2000 is anticipated.</p>
Description	<p>The NET program develops and conducts workshops and presentations for children, parents, teachers, and food service personnel in schools and child care facilities. Workshops and presentations are conducted by contract trainers.</p> <p>A "lending library" service with approximately 4,000 printed and audiovisual materials is also made available for children, educators, food service personnel, and parents.</p> <p>Instructional materials to support nutrition education and food service management in schools and child care facilities are also distributed.</p> <p>NET clients are children in schools and child care facilities and their parents; educators at all grade levels from preschool through high school; and food service personnel in schools and child care facilities.</p>

Administration

Under the supervision of Special Nutrition Programs staff and a State Coordinator, NET contract trainers conduct nutrition education and food service management workshops and presentations. NET program staff also administer the "lending library" and distribution of instructional materials.

Legal Base

National School Lunch Act of 1946, as amended; **Child Nutrition Act of 1966**, as amended.

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